Daily Report

Latin America

FBIS-LAT-89-005
Monday
9 January 1989

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FBIS-LAT-89-005 *9 January 1989*

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Reportage on 'Suspension' of Presidents Summit

Rumors, U.S. 'Pressure' Cited

FL0601203389 Mexico City NOTIMEX in Spanish 1900 GMT 6 Jan 89

[By correspondent Jesus Guevara Morin]

[Excerpt] Managua, 6 Jan (NOTIMEX)—Mercedes Borge, spokeswoman for the Nicaraguan Foreign Ministry, told NOTIMEX today that the Nicaraguan Government is concerned over the possible suspension of the Central American presidents summit meeting.

Borge said that the Foreign Ministry is studying these rumors and noted that, up to now, there is no official word on the possible cancellation.

Speaking to the international press in El Salvador, President Jose Napoleon Duarte said today that Guatemala, Costa Rica, and El Salvador are considering the possibility of postponing the presidential summit. Duarte said he shared the concerns of the other heads of state regarding the short period of time they would have to analyze the results of the foreign ministers' meeting scheduled for 12 and 13 January in Managua.

The presidential summit agenda will be prepared, among other things, during the meeting of the five foreign ministers of the area, who form the Executive Commission of the Esquipulas II agreements, signed in August 1987.

A diplomatic source consulted by NOTIMEX in Mexico assured yesterday that Costa Rican President Oscar Arias began contacts at the Central American level to prevent the holding of the summit on the scheduled date.

NOTIMEX's source, who asked to remain anonymous, said the Costa Rican president began to make these contacts on Wednesday afternoon after meeting with U.S. Ambassador Deane Hinton in San Jose. He believed that the attempt to prevent the summit meeting from taking place is because the upcoming change of power in the United States has created a certain inability on the part of the U.S. Administration to pressure the governments of the area. Faced with this situation, they believe Central American presidents could adopt an independent position contrary to the policy of President-elect George Bush in the area. [passage omitted]

Arias Proposes Postponement

PA0701020989 San Jose Radio Reloj in Spanish 0107 GMT 7 Jan 89

[Text] President Oscar Arias Sanchez has proposed to his Central American counterparts that the Central American presidential summit scheduled for 15-16 January in San Salvador be postponed. The announcement was made by Arias during a news conference in which he discussed the note he gave to the Guatemalan, Salvadoran, Honduran, and Nicaraguan ambassadors for delivery to their respective governments.

Arias believes the upcoming presidential summ .s very important; therefore, it will be better to h d it in February because it is a very significant meeti.. at which the peace plan commitments can attain full political validity and the credibility of our peoples can be strengthened.

This delay will give us an opportunity to reflect and be better prepared, because a new Central American presidents' meeting cannot result in new resolutions for freedom and democracy that cannot be supported by firm and irrevocable commitments and mechanisms, President Arias said.

It would also not be advisable to simply revise the points of the Esquipulas agreement that have been fulfilled and not fulfilled, Arias added in his note, because this would not lead us to what I believe is the core of the Esquipulas agreement: the democratization, peace, and freedom that our people desire.

One of the reasons President Oscar Arias Sanchez gives to his counterparts for the postponement of the Central American presidential summit is the advantage of knowing the new U.S. Administration's viewpoints on Central America. Arias Sanchez believes it is necessary to have enough time to analyze the general points on which [U.S.] policy will be based.

President Arias Sanchez also believes it is important to take advantage of Carlos Andres Perez' inauguration to request the Latin American presidents' urgent and necessary support of Central American peace efforts.

President Arias thinks effective verification mechanisms are required for the security and democratization aspects requested by the UN secretary general. A definition of such sensitive matters requires additional work which we would not be able to do in such a short time, Arias told his Central American counterparts.

Arias Sanchez also proposes that the foreign ministers meeting scheduled for 12-13 January also be postponed for a time suitable to the foreign ministers, but that the meeting should be held in Managua.

The Guatemalan and Nicaraguan Governments have expressed their concern about the postponement of the presidential summit, the Guatemalan and Nicaraguan vice presidents told President Arias over the telephone. Meanwhile, Salvadoran and Honduran Presidents Jose Napoleon Duarte and Jose Azcona agree with postponing the meeting, Arias Sanchez said. It is customary to hold these meetings after reaching a consensus; thus, Arias Sanchez thinks he will find a positive response to his proposal.

Ortega's Reaction 'Rejected'

PA0901000989 Panama City ACAN in Spanish 1721 GMT 8 Jan 89

[Excerpt] San Jose, 8 Jan (ACAN-EFE)—The Costa Rican Government has rejected accusations made by the Sandinist government that Costa Rica is trying to "bury" the Esquipulas II peace plan with its request to postpone the Central American presidential summit. The Costa Rican Government also believes the Nicaraguan Government's accusations are inconsistent.

Costa Rican Information Minister Guido Fernandez told ACAN-EFE that the only thing that can bury the presidential summit is "the lack of political will on the part of the region's governments to fulfill those aspects of the the peace plan regarding democratization, internal reconciliation, and the cease-fire."

Fernandez stressed: "A postponement of the summit will not kill or bury the peace plan. A postponement is simply a way of waiting for a better opportunity to keep the plan alive and reactivate it."

Fernandez noted that the Nicaraguan Government is waiting for the inauguration of the new U.S. President, George Bush, on 20 January to present "a proposal to seek an agreement on security problems."

Minister Fernandez added that on the one hand Nicaragua opposes postponing the summit until the policy of the new Washington administration is known and, on the other hand, Nicaragua intends to negotiate issues that are not only of interest to Nicaragua, "but also to the rest of Central America" with the new U.S. Government.

Fernandez stated that Nicaraguan President Daniel Ortega, who asserted that the summit cannot be subject to Washington's foreign policy, "is waiting for the inauguration of the new U.S. Government" to present new proposals.

The Costa Rican spokesman asked: "Why doesn't Ortega present those proposals now?" And he answered himself, saying: "Simply because he hopes that with the current administration in its last few days, its policy could be replaced by a new one." [passage omitted]

Guatemala: 'Diplomatic Defeat'

PA0801042989 Guatemala City Cadena de Emisoras Unidas in Spanish 0100 GMT 7 Jan 89

[Text] The decision to suspend or delay the meeting of Central American presidents, scheduled to take place 15-16 January, was deemed a diplomatic defeat for Guatemala. There is a feeling that Guatemala has lost the ability to organize a meeting and that the level of its diplomatic skills is very, very low, given that the Guatemalan foreign minister has been trying to arrange a meeting of the Central American presidents since December 1988 and so far has not succeeded.

Just 10 days away from the scheduled date of the meeting, Costa Rican President Oscar Arias said that the summit meeting will not take place, as if to say: I am the only one able to call the meeting. This clearly represents a serious setback for the Guatemalan Foreign Affairs Ministry, since it was our country that desperately sought the summit meeting. However, it was said here that one cannot achieve diplomatic success in haste.

Cuba

Foreign Minister To Visit PRC 18-24 Jan

FL0601133489 Havana Radio Progreso Network in Spanish 1200 GMT 6 Jan 89

[Text] Cuban Foreign Minister Isidoro Malmierca will make an official visit to the PRC at the invitation of Chinese Foreign Minister Qian Qichen.

The Chinese Foreign Ministry reported that the visit will take place from 18 to 24 January.

U.S. Attack on Libyan Planes 'Repugnant'

FL0601143989 Havana Tele-Rebelde Network in Spanish 1200 GMT 6 Jan 89

[Excerpt] Cuba has strongly condemned the aggression of the United States against Libya and reiterated its decisive and solidary support for the people and government of that North African country.

Speaking at a meeting of the UN Security Council which is examining the downing of two Libyan planes in the Mediterranean by U.S. planes, Maria de los Angeles Flores, alternate Cuban ambassador to the United Nations, rejected all the disinformation maneuvers and threats that the United States is making against Libya.

The diplomat quoted remarks made yesterday by Cuban President Fidel Castro who, in reference to that attack, described it as an immodest, shameless, and repugnant action. [passage omitted]

More on Revolution Celebration, Activities

Delegations Tour Isle of Youth

FL0601050389 Havana Television Service in Spanish 0100 GMT 6 Jan 89

[Text] Delegations from 16 countries have toured the Isle of Youth as part of the activities marking the 30th anniversary of the triumph of the revolution. The Isle of Youth residents gave a warm welcome to the foreign visitors at the Nueva Giron Airport.

Afterward, the delegations of Mozambique, Angola, Yemen, and the DPRK, among others, toured the museum of the old model presidium. They also stopped at the Hendrick Witbooi School, where they spoke with the students of various nationalities from Africa, Asia, and Latin America. At the educational center they were able to see the daily life of the foreign students on the Isle of Youth—the students on the island total over 18,000.

Castro, Vorotnikov Discuss Ties

FL0601132289 Havana Radio Progreso Network in Spanish 1200 GMT 6 Jan 89

[Text] In Havana, Commander in Chief Fidel Castro has received Vitaliy Vorotnikov, member of the CPSU Politburo and chairman of the Presidium of the RSFSR Supreme Soviet. During the meeting, the leaders held a thorough exchange of views on several topics related to Soviet-Cuban cooperation.

The TASS press agency reported that the leaders also analyzed some aspects of the international situation.

Vorotnikov had previously met with Cuban Vice President Carlos Rafael Rodriguez, member of the PCC Politburo.

Gorbachev Message Relayed

FL0601140289 Havana Tele-Rebelde Network in Spanish 1200 GMT 6 Jan 89

[Text] Commander in Chief Fidel Castro Ruz, first secretary of the PCC Central Committee and president of the Councils of State and Ministers, met yesterday morning with Comrade Vitaliy Vorotnikov, member of the CPSU Politburo and chairman of the Presidium of the RSFSR Supreme Soviet. Vorotnikov heads the delegation representing the party and Government of the USSR, which is attending the events marking the 30th anniversary of the triumph of the revolution.

Vorotnikov conveyed greetings to Comrade Fidel and congratulations from Soviet leaders, particularly from Comrade Mikhail Gorbachev, general secretary of the CPSU and chairman of the USSR Supreme Soviet Presidium, on the occasion of this new anniversary.

Castro Receives CSSR Award

FL0601032889 Havana Television Service in Spanish 0100 GMT 6 Jan 89

[Text] Commander in Chief Fidel Castro, first secretary of the PCC and president of the Councils of State and Ministers, was decorated today with the Klement Gottwald Order. The highest award granted by the Czechoslovak state was presented by Milos Jakes, secretary general of the Czechoslovak Communist Party [CPCZ].

[Begin recording] [Milos Jakes with simultaneous Spanish translation] Dear Comrade Fidel Castro, this decoration has been granted at the suggestion of the CPCZ Central Committee Presidium and Comrade Husak, president of the Czechoslovak Socialist Republic, on the occasion of your 60th birthday [as heard], for your extraordinary personal merits in strengthening fraternal and friendly relations, and for the alliance and cooperation between our Communist Parties, peoples, and countries. It is a sincere manisfestation of the respect and appreciation that the Czechoslovak people feel for you as

an outstanding party and state leader, and as the loyal friend of Czechoslovakia. [applause] [video shows Jakes placing medal on Castro, applause]

[Castro] This constitutes a [word indistinct] of our friendship. I also get great personal satisfaction from the fact that I have been granted this on the occasion of (?his) 60th anniversary and that I should receive it today on the 30th anniversary of the revolution. If personal anniversaries mean something to people, for me they also mean something. However, they mean much more (?with) the anniversary of the revolution. It has just been by chance that I should receive it [words indistinct], 30th anniversary [word indistinct]. I am trully satisfied [words indistinct] [applause] [end recording]

Previously the secretary general of the CPCZ, along with the delegation which is accompanying him on this official visit to Cuba, placed a flower wreath at the foot of the monument to our national hero, Jose Marti, at Havana's Revolution Square. During the solemn ceremony the distinguished visitor was accompanied by Carlos Rafael Rodriguez, member of the PCC Central Committee Politburo and vice president of the Council of State.

Castro-Jakes Meeting Reported

FL0601162289 Havana Tele-Rebelde Network in Spanish 1200 GMT 6 Jan 89

[Text] Commander in Chief Fidel Castro Ruz, president of the Councils of State and Ministers, has held a fraternal and friendly meeting with Milos Jakes, general secretary of the Czechoslovak Communist Party Central Committee, and the delegation accompanying him to the festivities marking the 30th anniversary of the triumph of the revolution.

The two leaders gave a positive assessment of the state of relations between Cuba and the CSSR and confirmed that there are still possibilities to continue strengthening economic cooperation.

Jakes Interviewed

FL0601215989 Havana Tele-Rebelde Network in Spanish 1800 GMT 6 Jan 89

[Text] Hours before leaving our country, Milos Jakes, secretary general of the Czechoslovak Communist Party Central Committee, granted an interview to Cuban television.

[Begin recording] [Reporter Irma Caceres] What do you think was the main result of your visit?

[Jakes, in vernacular with simultaneous Spanish translation] I would like to express my appreciation for the marvelous atmosphere of friendship I have been greeted with everywhere. It has shown me that there are very good relations with our country and our people. There is an interest in developing cooperation. Thank you for all this.

There are concrete possibilities to expand cooperation in the centers, in the enterprises we have visited—a hospital, a research center, and others. Cooperation has to be developed because it is in the best interests of the two sides. I did not come alone. Other government and party leaders came with me and they met with the Cuban representatives, with their Cuban counterparts. We have looked for ways to establish new cooperation, in new fields. Concrete conclusions have been reached. Everything I have seen has impressed me favorably. One can see that the Cuban people have performed great work during the last 30 years.

Expo-Cuba's inauguration was very impressive. This exposition was built in record time. I attended with a lot of interest the great event in which Comrade Fidel Castro delivered his speech. He illustrated in a very clear way the results achieved. He showed the deep internationalism of the Cuban people and expressed his views on a number of international matters. His speech was fully supported, not only by the tens of thousands of Cubans who followed it with a lot of attention but also by all the foreign delegations present—which were not few. This is evidence of the great prestige Cuba has in the world. He also received the full support of our delegation. [end recording]

Further on Interview

LD0601212489 Prague CTK in English 1858 GMT 6 Jan 89

[Text] Havana Jan 6 (CTK correspondent)—Czechoslovak Communist Party General Secretary Milos Jakes today granted an interview to Cuban television, characterizing in it the present process of restructuring in Czechoslovakia, mainly in the economic sphere.

Milos Jakes described the better satisfaction of the needs of the population, its increasing standard of living, the strengthening of social certainties and the implementation of social justice as the final targets of the restructuring. He spoke about the structural changes in the Czechoslovak economy and the creation of their legal base.

The Czechoslovak Communist Party general secretary called for solving the question of foreign debts of the developing world, mentioning Czechoslovakia's assistance to the developing countries.

He pointed out the high level of relations of friendship and cooperation between Cuba and Czechoslovakia and stressed the need to seek new ways of cooperation for which prerequisites have already been created. Thanks to these new forms of cooperation, mutual relations will be further strengthened, he added.

In conclusion, Milos Jakes positively evaluated his stay in Cuba, the friendly atmosphere which accompanied his visit, as well as fruitful talks with highest Cuban representative Fidel Castro.

Jakes Departure Reported

FL0601194589 Havana Tele-Rebelde Network in Spanish 1800 GMT 6 Jan 89

[Text] Milos Jakes, general secretary of the Czechoslovak Communist Party Central Committee, ended his visit to Cuba today. Jakes headed his country's delegation attending the activities marking the 30th anniversary of the triumph of the revolution. He was seen off at the Jose Marti International Airport by Carlos Rafael Rodriguez and Pedro Miret Prieto, members of the PCC Politburo, and other party and government leaders.

During his stay in our country, Milos Jakes held a fraternal and friendly meeting with Commander in Chief Fidel Castro, first secretary of the PCC, on whom he bestowed the Klement Gottwald Order, the highest distinction awarded by the CSSR. The high-level delegation also visited places of economic and social interest.

More on Jakes Departure

LD0601160689 Prague CTK in English 1515 GMT 6 Jan 89

[Text] Havana Jan 6 (CTK correspondent)—Czechoslovak Communist Party General Secretary Milos Jakes today ended his official friendly visit to Cuba and left for Nicaragua.

At the Jose Marti Airport Milos Jakes was seen off by members of the Cuban Communist Party Politburo, Vice-Presidents and Vice-Premiers Carlos Rafael Rodriguez and Pedro Miret Prieto and other representatives.

Milos Jakes attended in Havana the celebrations of the 30th anniversary of the Cuban Revolution, and held talks with the highest Cuban representative Fidel Castro, to whom he handed over the Klement Gottwald Order.

On his way to Nicaragua, Milos Jakes is accompanied by Czechoslovak Communist Party Presidium member and Chief Secretary of the Party Presidium member and chief secretary of the Party Prague City Committee Miroslav Stepan, Party Central Committee Secretary Frantisek Hanus, head of a party Department Michal Stefanak and First Deputy Premier, Chairman of the Czech Commission for Planning and Scientific-Technological Development Miroslav Toman.

The visit of Czechoslovak Communist Party General Secretary Milos Jakes is believed to give an important impulse to the further intensive development of relations between Czechoslovakia and Nicaragua.

Although diplomatic relations between the two countries were set up in 1930, they were not reinvigorated and raised to embassy level until after the victory of the Sandinist revolution in 1979.

From the beginning, Czechoslovakia provided all-round support for the Sandinist government of the Nicaraguan Republic and material and humanitarian aid to Nicaragua is at present the largest given by Czechoslovakia to a developing country. It consists mainly of supplies of health material, foodstuffs and consumer goods and includes stays of Czechoslovak physicians, geologists, veterinary surgeons and agricultural experts in the Latin American country.

Since 1979, the two countries have held important talks which have strengthened and expanded their friendship and cooperation. They included the visit of a Nicaraguan delegation, led by President Daniel Ortega, to Czechoslovakia in 1985 and the visit of a Czechoslovak foreign minister to Nicaragua in 1988 during which the two countries signed a consular agreement.

Trade relations between the two countries were insignificant until the victory of the Sandinist revolution. The situation was changed by the 1980 trade agreement and agreements on scientific-technological and economic cooperation. Czechoslovakia also contributes to the implementation of the agreement on cooperation between the Council for Mutual Economic Assistance and Nicaragua. Within this multilateral cooperation, Czechoslovakia acts as coordinator of capital projects such as the Esteli textile works, extension of the cement works in San Rafael and a plant producing parts and accessories for the textile industry.

Czechoslovak export commodities include footwear, Textile and leather industry machines, diesel units, loaders, trucks, raw and other materials for the textile, leather, footwear, pharmaceutical and petrochemical industries. Mutual exchanges were worth 19 million U.S. dollars in 1987, with Czechoslovak exports accounting for 17 million.

'Havana Declaration' Signed

FL0601193089 Havana Tele-Rebelde Network in Spanish 1800 GMT 6 Jan 89

[Text] Leaders and representatives of political parties, social organizations, and national liberation movements of Latin America and the Caribbean, who are meeting in Havana on the occasion of the 30th anniversary of the Cuban Revolution, have signed the Havana Declaration, in which they express the following:

We confirm our solidarity commitment with the Cuban state and people which we salute on this memorable occasion. At the same time, we strongly protest the dirty campaign imperialism constantly stages against Cuba and reject any attempt toward U.S. interference in matters that only concern the sovereignty of our peoples.

We demand the end of attacks, the departure of the imperialist armed forces that are holding Guantanamo Base on Cuban soil in an arbitrary and arrogant way, and the suspension of the criminal economic and trade blockade, as well as any other type of siege attempt against the heroic people of this country and their triumphant revolution.

The imminence of the new administration that will be installed in the White House is already being translated in a revival of attacks. Our enemies are not stopping in their determination to introduce confusion, maliciousness, and slander by continuing to provide aid to mercenaries in Central America, preventing the triumph of the Salvadoran people, and engaging in the destabilization of the legitimate Panamanian Government. They maintain the criminal siege around the Sandinist revolution, which, despite those who want to drown it with blood or sink it in economic despair, is strengthening and is defeating the mercenary forces every day, in the same way it is doing it in the political arena with those who are sent from Washington.

We are all in danger. All Latin America is interested in the end of sinister dictatorships which continue to oppress Chile and Paraguay. We are all victims of looting and the enormous drain, the suffocating burden, the debt represents.

This is why, beyond our differences, we understand that the unity of the nationalist, patriotic, democratic, and revolutionary forces of the continent is a priority in order to form a common front against imperialism needed by our people. We call for remaining in a state of alert in a combative way and reject any attempt to divide us or to have us confront each other.

In this spirit of unity and struggle, concertation, and firm decision in the defense of sovereignty, independence, and free determination of the peoples, we commit ourselves to the strengthening of this Latin American solidarity will and the search for a common strategy which would allow us to face the enemies of our peoples wherever they may be and any way in which they may mask aggression.

Signed on 4 January 1989.

'Intellectuals' Laud Revolution

FL0601225289 Havana Tele-Rebelde Network in Spanish 1800 GMT 6 Jan 89

[Text] Latin American intellectuals and figures have expressed their support to the Cuban Revolution and its leader, Fidel Castro, on its 30th anniversary.

Cardinal (Paolo Evaristo Ans) from Sao Paulo sent a message to the commander in chief marking the occasion and noting the heroism and sacrifice of the Cuban people in resisting foreign attacks and turning themselves into an example of social justice.

Writer Alexis Marquez and filmmaker (Edmundo Arai) also expressed from Caracas their support to the Cuban revolutionary process. Marquez stressed the importance of the revolution for having established socialism a few kilometers away from the largest capitalist power in the world and bringing to the Cuban people a period of enormous progress in all areas. The Venezuelan writer asserted that the Cuban Revolution is universal. (Arai) described Cuba's process as a luminous image of the future despite the imperialist siege.

Peruvian poet Winston Orrillo rejected in Lima the so-called letter in which those who are associated with the enemies of the revolution ask for a plebiscite in Cuba similar to the one held in Chile. Orrillo stressed that such consultation was made in Cuba on 26 July 1953, when the struggle against the pro-U.S. Batista dictatorship began, and in 1961, when the mercenary invasion was defeated in Playa Giron and the socialist character of the process was proclaimed.

Soviet Delegation Departs

FL0601211989 Havana Radio Reloj Network in Spanish 2004 GMT 6 Jan 89

[Text] The Soviet delegation which attended the festivities for the 30th anniversary of the triumph of the Cuban Revolution has been bid farewell at the Jose Marti International Airport. The delegation of the brother country is headed by Vitaliy Vorotnikov, chairman of the Presidium of the RSFSR Supreme Soviet, and was bid farewell by Jorge Risquet Valdes, member of the PCC Central Committee Politburo.

Castro Sees Off Delegations

FL0701041289 Havana Television Service in Spanish 0100 GMT 7 Jan 89

[Text] Just a few minutes ago at the Jose Marti International Airport, our Commander in Chief Fidel Castro, first secretary of the PCC Central Commitee, bid farewell to Georges Marchais, secretary general of the French Communist Party. During the conversation Fidel made reference to the defeat suffered by apartheid in Angola. For his part, Marchais said that in his country a large campaign is being carried out for the liberation of Nelson Mandela, fighter for the civil rights of the South African black population.

Also departing with the French delegation were delegations from Benin, Algieria, Mozambique, Switzerland, Burkina Faso, and Great Britain.

Algeria Sends Message

FL0701171489 Havana Tele-Rebelde Network in Spanish 1400 GMT 7 Jan 89

[Text] Jorge Risquet, member of the PCC Politburo, has held a cordial meeting with ('Abd al-Karim Sousi), member of the Executive Committee in charge of youth of the National Liberation Front of Algeria. (Sousi)

participated in the events marking the 30th anniversary of the triumph of the revolution. During the fraternal meeting, the Algerian leader handed a message sent by President Chadli Bendjedid to Commander in Chief Fidel Castro.

Castro Awarded Mozambican Medal

FL0701154089 Havana Tele-Rebelde Network in Spanish 1416 GMT 7 Jan 89

[Text] Commander in Chief Fidel Castro Ruz, first secretary of the PCC Central Committee and president of the Councils of State and Ministers of Cuba, has received the Eduardo Mondlane Medal, First Class, conferred by the Mozambican Government at the proposal of its National Assembly.

Marcelino dos Santos, member of the Frelimo [Mozambique Liberation Front] Party Politburo and president of the People's Assembly of the People's Republic of Mozambique, decorated the supreme Cuban leader during a friendly ceremony held at the Mozambican Embassy here in the capital. Dos Santos delivered emotional words which sum up the merits of the award's recipients that prompted granting the medal with the image of Eduardo Mondlane, founder of Frelimo. Mondlane was assassinated during the liberation struggle by the enemies of his people.

Our Commander in Chief Fidel Castro expressed his appreciation for this decoration. [video shows dos Santos bestowing the medal on Castro and the two leaders embracing]

[Begin Castro recording] Dear Comrade Marcelino dos Santos; dear comrades from the Mozambique delegation. Time is short and we know that the plane is about to leave in a few minutes—all this because of the intense work of these days marking the anniversary and Comrade Marcelino's brief visit—nevertheless, I am going to say a few short words. First, to say thanks for the truly generous and beautiful words Comrade Marcelino dos Santos just expressed.

All this has made me remember the history of our relations throughout the years, especially after Mozambique's independence; my visit to Mozambique some time after independence; my unforgettable meeting with Comrade Samora Machel; the relations which have developed throughout all these years—in all areas, in all fields—the great friendship that developed between Comrade Machel and me. All this also reminds me of the tragic death, the end of such a useful life, that of Samora Machel, only a few weeks after our last meeting in Harare. We met with him, his family, the Mozambican delegation, which was very friendly, very fraternal. I hold truly unforgettable impressions of the meeting.

All this has made me remember the heroic struggle of the Mozambican people for many years and the great intelligence and courage with which they knew how to face modern (?weapons) and all the means used by colonialism to conquer independence after a truly glorious struggle during which Frelimo was created, in which the liberation army was created.

All this has also made me remember the great injustices, the threats, attacks, and efforts made by imperialism and its allies to destabilize the people of Mozambique, the sacrifices that have brought that destabilization policy, the human damages, the bloodshed, and the terrible effects on the country's economy.

All this made me remember the truly incredible merit and the efforts which the Mozambican people have made and still make to consolidate their independence and develop their country in freedom and peace.

All this also multiplies our feelings of solidarity, friendship, and fraternity toward Mozambique and our decision to continue providing all the cooperation within our reach. I could not forget—when he was mentioning the Mozambican youths here—that the Mozambican youths who study in Cuba enjoy a good reputation, great sympathy, and consideration because they are marvelous young people. They are well-organized and well-educated politically by their party. They are disciplined youths, they are studious, and are even excellent athletes. We will continue to provide cooperation in this field with pleasure. We are very happy that thousands and thousands of [1-second break in audio transmission] Mozambican youths have studied here. We wish that their efforts there will reach great successes.

I remember that not so long ago we had the privilege of Comrade Chissano's presence here for a number of days when he visited our country for health reasons. He honored us very much because of the trust he placed in Cuba. It gave me the opportunity to talk with him many times. I saw him. I was able to know him in those days of sacrifice, of suffering, when he had to struggle with certain health problems. We were very pleased to see that he came out perfectly well. He returned to his country in perfect health, in high spirits. We took the opportunity to talk extensively about a diversity of subjects within the framework of the broad agreement of views existing between our two countries.

For me, Comrade Marcelino and comrades of the Mozambican delegation, this decoration constitutes a great honor that goes beyond the efforts—we could call them modest ones—contributed by us in the struggle for the liberation of our peoples and other countries.

I believe that an honor such as this one is always beyond any merit. I am very honored it came from Mozambique. I am very honored that it came from courageous people such as those from Mozambique and from the people, a party, and a government we appreciate so much, as we appreciate Mozambique. The time in which you present this decoration gives me special satisfaction. It is given to me at a historic moment in which finally, after many

years of struggle, a peace agreement has been reached. This should help... [rephrases] will result in Namibia's independence and should help bring justice to the continent. It should help the future disappearance of such a repulsive regime as apartheid. It should contribute to peace and progress in Africa.

Marcelion, it pleases me especially to receive this decoration from your hands. You are a man who has struggled a lot. You are a man with a very beautiful record. You are a clean, noble, and fraternal man. You are a man who enjoys much respect and a lot of sympathy in this country.

And finally, it pleases me to receive the medal within the framework of this 30th anniversary of the Cuban Revolution. Thank you very much. I beg you to convey my appreciation to Chissano, to the leaders of the party, the party, the National Assembly, and the brother people of Mozambique. The struggle continues. Fatherland or death. We will win! [applause] [end recording]

Fidel had received previously from Dos Santos a personal message from Joaquim Chissano, president of the People's Republic of Mozambique, on the occasion of the 30th anniversary of the triumph of the revolution. The commander in chief was also presented with gifts from the Mozambican state and Government. The Cuban leader praised the beauty of the elephant's tusk and the carved piece of furniture of fine wood. These gifts are part of the tradition of this brother African country to mark historic dates of sister nations. [video shows Castro and others looking at gifts]

Finally, the president of the Councils of State and Ministers of Cuba accompanied the Mozambican leader to the Jose Marti International Airport. Fidel bid farewell to Dos Santos and the remaining members of the Mozambican delegation who attended the events marking the 30th anniversary of the Cuban Revolution.

Panamanian Mayor Cited

FL0701194289 Havana Tele-Rebelde Network in Spanish 1800 GMT 7 Jan 89

[Text] Balbina Herrera, mayor of San Miguelito, Panama, has visited our country as a guest to the festivities marking the triumph of the revolution. She talks to this newscast about her experiences.

[Begin recording] [Herrera] First, I would like to congratulate the Cuban people and Commander Fidel for the 30th anniversary of the Cuban Revolution. Second, I would also like to thank you for the solidarity support the Cuban people and Government have given to the Panamanian people. Let me tell you that we have been able to hold many exchanges with all the Latin American delegations as a result of the invitation extended to me to participate in the commemorations. We have strengthened our ties. We have understood more clearly the international support toward the Panamanian cause and the cause of the countries that are struggling for their national liberation, as we are also doing.

[Unidentified reporter] What can you tell me of Panama's present situation?

[Herrera] We can say that we are going through a very decisive period in Panama at this time. Very delicate situations will be defined in 1989. For example, we are feeling very strongly the economic problem. We are going to face an electoral process in May 1989 to choose a president, legislators, and representatives. The saddest thing is that the Americans continue to insist on making our country give in. Nevertheless, our country has been able to resist despite all the predictions made by the Americans that we were only going to be able to last until the end of 1988. The Panamanian people are willing to resist. We have been able to resist with the creation of the dignity battalions—which began in San Miguelito District—and the unification of other battalions at the national level, the organized participation of all our communities and of all the popular sectors, despite our social and economic problems. [end recording]

Further Reportage on PNR's Anniversary

Interior Minister Cited

FL0601044889 Havana Television Service in Spanish 0100 GMT 6 Jan 89

[Text] Thirty years ago today, the National Revolutionary Police [PNR] was established. Ever since then, during these three decades, its veteran combatants have written pages of heroism, dedication, and loyalty [word in distinct] in the people.

Division General Jose Abrantes Fernandez, minister of the interior, greeted the PNR members.

[Abrantes] Today, more than ever, we feel proud of our PNR. We feel proud of its traditions, achievements, combatants, and heroism in Playa Giron. Today's police also follow the example of Playa Giron and the Sierra by fighting all the enemies of the revolution, [word indistinct] trust, peace, and security for our people. We feel very happy and satisfied [words indistinct]. [end recording]

Attorney General Comments

FL0701135289 Havana Radio Reloj Network in Spanish 1334 GMT 7 Jan 89

[Text] Attorney General Ramon de la Cruz Ochoa has warned criminals and antisocials that all the force of the law will fall upon those who have dared to attack the combatants of the National Revolutionary Police [PNR] in the fulfillment of their duties. De la Cruz Ochoa delivered a strong speech during the ceremony held by the Attorney General's Office, the Supreme People's

Tribunal, and the Justice Ministry in honor of the PNR on the occasion of its 30th anniversary. Interior Ministry Jose Abrantes attended the ceremony.

The speaker asserted that the revolution's fist will fall without hesitation on such individuals so they understand clearly that one cannot play with the revolutionary power. The police is an organ of this power which confronts antisocials directly. Remember well that we will never make concessions to criminals, to those who think that our society is going to coexist with vices that are foreign to socialism.

FAR Officers in Luanda for Farewell Ceremony

FL0701023389 Havana Radio Rebelde Network in Spanish 0023 GMT 7 Jan 89

[Report by correspondent Carlos Rafael Jimenez from Luanda—live]

[Text] A group of high-ranking FAR officials arrived here in Luanda this morning to attend on 10 January a ceremony to bid farewell to 3,000 Cuban internationalist combatants, who have gloriously fulfilled their internationalist mission. This is a gesture that shows the seriousness and responsibility with which Cuba assumes the tripartite agreements recently signed in New York.

Cuban Ambassador to Angola Martin Mora was at the airport on the occasion of the Cuban officers' arrival. I asked him to comment, from a diplomatic, Cuban, and revolutionary point of view, on the importance of Cuba's gesture in withdrawing, before 1 April, 3,000 Cuban internationalist combatants. The withdrawal will begin on 10 January when the first 400 soldiers will return to the fatherland aboard several planes.

The Angolans are preparing a festivities schedule which the MPLA [Popular Movement for the Liberation of Angola] Central Committee has planned for the farewell, which they feel the Cuban internationalists deserve. Now, I will have you listen to this interview with the Cuban ambassador in the People's Republic of Angola, Comrade Martin Mora:

[Begin Mora recording] Well, I can tell you that from a diplomatic point of view, this is truly an unprecendented gesture. This is because verification is almost always the result of an imposition [words indistinct] of the countries which have been defeated. However, this was proposed by Angola and Cuba, who evidently, in the military field, defeated the racist troops. Finally, this victory in the military field is what led South Africa to sit at the negotiating table. The gesture expresses, first of all, the seriousness of our country and Angola in terms of the [word indistinct] the fulfillment of the [word indistinct] African. Our willingness for the international community—through the higher organization it has, the United Nations—to carry out a verification is [word indistinct] of the timetable of the Cuban troops, such as it was agreed upon. This is an unprecendented gesture in the history of international relations. [end recording]

Menendez Heads Delegation

FL0701130989 Havana Radio Progreso Network in Spanish 1200 GMT 7 Jan 89

[Text] The first 3,000 Cuban internationalist combatants will begin returning to the fatherland on 10 January. The first group is already in Luanda, where it will participate in a great political and mass event.

A Cuban mission arrived in the Angolan capital yesterday to participate in the ceremony. It was received by Division General Arnaldo Ochoa, chief of our country's military mission. The delegation is headed by Division General Raul Menendez Tomassevich and is composed of other generals and officers.

Vice Foreign Minister on UN Plan for Namibia

PA0801194889 Havana International Service in Spanish 0000 GMT 6 Jan 89

[Telephone interview with Vice Foreign Minister Ricardo Alarcon de Quesada by reporter Julio Dominguez from UN Headquarters in New York; date not given—live or recorded]

[Text] [Dominguez] Cuba has reiterated to the UN secretary general that the plan for Namibia's independence must be respected just as it was conceived 10 years ago. Why do you believe some nations want the plan modified, and who is exerting pressure for such a change?

[Alarcon] The original idea of altering the plan was initiated by the United States. The United States had advocated this position for some time, and we all became aware of it at the conclusion of the quadripartite negotiations; that is to say, when we were about to sign the quadripartite agreement. This position was also expressed by the five permanent members of the Security Council. Although this could be viewed as an effort to save their resources and use those resources more efficiently, in this specific case only South Africa would benefit, making the situation more difficult for the South African people. It must be taken into account that the population has grown since the original plan was created. One thing the white people did at that time—which was advocated by the Western countries headed by the United States—was to claim custody of the electoral colleges for one of the many [words indistinct] the United Nations would have in Namibia.

Since the population has grown, more voters should be expected, and along with them there are more polling tables to protect and more voting centers to guard. Moreover, the population has grown, but it has spread over a vast area. More important than this, however, is that during the 10 years since the resolution's approval,

South Africa's military and paramilitary forces have multiplied. This is a recognized fact, one that is not questioned here at the United Nations. During these transition years, for example, the Namibian police—organized, directed, and trained by South Africa—con tinued to exist and were in charge, according to the plan, of maintaining law and order in the country.

All of this clearly indicates that if the United Nations were to reduce its presence in Namibian territory, the only beneficiary would be South Africa; such an action would allow all those military and paramilitary groups to continue in one way or another repressing and damaging popular interests, and thus influencing the electoral process. Their intention can be none other than to hinder or attempt to hinder—to the extent that they can—the will and legitimate desires of the Namibian people.

[Dominguez] Some countries, alleging financial problems, are insisting on a reduction in spending and, it seems to me, on the reduction of UN forces in Namibia. Why do you believe this reduction will affect the plan for Namibian independence?

[Alarcon] Some countries are not paying their quotas to the United Nations as they should, and this problem began prior to Article 435; it has nothing to do with the Namibia plan. The leading country is the United States. If the United States would pay what it owes, the UN plan for Namibia would be paid for.

The United States collects more money annually for having the UN Headquarters in New York than it pays—or should pay—in quotas. At this time, it is not even paying what it should and, of course, all of us who live and work in New York must pay light, water, food, and rent, and we pay it to the United States. Where does that money go? The United States collects that money, so I would describe its arguments as daring. Those arguments are illogical, irrational, and inadmissible from a moral, political, or any other standpoint.

Need To Respect Plan Stressed

FL0701030489 Havana Radio Rebelde Network in Spanish 0001 GMT 7 Jan 89

[Text] Cuba reiterated today the need to strictly respect Namibia's independence plan in accordance with UN Resolution 435, and in particular to not decrease the group for the transition assistance in the African territory.

In statements to PRENSA LATINA, Cuban Vice Foreign Minister Ricardo Alarcon de Quezada has said that that opinion was expressed today to the UN deputy secretary general and to the special representative for Namibia, (Marci Apisari). During his conversation, Alarcon told the official that only that respect will guarantee the complete participation of the people in the application of said plan, including refugees who must return to the country and, in particular, the leaders and members of the South-West African People's Organization, SWAPO. The Cuban diplomat insisted on the importance of creating secure conditions to carry out truly democratic elections and for the Namibian people to be able to freedly decide its destiny.

Soviet Trade Union Delegation Arrives

FL0601222089 Havana Tele-Rebelde Network in Spanish 1800 GMT 6 Jan 89

[Text] A delegation from the All-Union Central Council of Soviet Trade Unions has arrived in our country. It is headed by (Vladimir Sergeyev), member of the organization's presidium. The visitors were received by Jesus Escandel, member of the CTC [Central Organization of Cuban Trade Unions] Secretariat. The Soviet delegation will complete a program which includes the signing of a cooperation agreement among the central organization of trade unions of Cuba and the USSR.

[Begin recording; speaker indentified by illegible caption because of poor reception, in Russian with simultaneous Spanish translation] We take this opportunity to convey a very warm and friendly greeting from the Soviet workers and Soviet trade unions to the workers and trade unions of the Island of Freedom. We would like to give friendly and warm greetings to the Cuban people on the occasion of the 30th anniversary of the Cuban Revolution and the new year, 1989. [end recording]

Scientific Cooperation Plan Signed With USSR

FL0701034689 Havana Television Service in Spanish 0100 GMT 7 Jan 89

[Text] A work plan for scientific-technical cooperation for 1989 was signed today in Havana. The document by signed by Fidel Castro Diaz-Balart, executive secretary of the Cuban Atomic Energy Commission and (Alexander Nikolayevich Protsenko), director of the State Committee for Utilization of Atomic Energy of the Soviet Union.

This plan, which is in the framework of the bilateral agreement existing between the two institutions, will allow an expansion of the research plans for the installations that the Cuban nuclear research center will have. It will also permit the training of Cuban specialists in the USSR and the exchange of technical missions.

Also present during the signing of the document were Pedro Miret, member of the PCC Central Committee Politburo; Jose Ramon Fernandez, vice president of the Council of Ministers of Cuba; and Zoilo Marinello, president of the Cuban-Soviet Friendship Association.

Soviet Friendship Society Leader Visits

FL0701165389 Havana Tele-Rebelde Network in Spanish 1400 GMT 7 Jan 89

[Text] Vladimir Shatalov, chairman of the Soviet-Cuban Friendship Society and chief of the Yuriy Gagarin Cosmonauts Training Center, has visited the Cuban-Soviet

Friendship Association in Havana, where we was received by its president, Dr Zoilo Marinello. During the meeting, which took place in a warm and friendly atmosphere, Shatalov was given a detailed briefing on the work the association is performing, its affiliates, and member-collectives. He toured the house where the institution is located.

Brazilian Workers' Party Leader Arrives

FL0701191089 Havana Tele-Rebelde Network in Spanish 1800 GMT 7 Jan 89

[Text] Luis Inacio Lula da Silva, federal deputy and leader of the Workers' Party in Brazil, arrived in our country today. Lula da Silva is the presidential candidate for Brazil's Worker's Party in the next elections, which will be held on 15 November 1989. This was the party that got the majority of votes during the recently held election for mayors and council members in Brazil, winning the mayorship of 40 important cities and 600 council members. Lula will visit several Latin American countries during his electoral campaign, in which the foreign debt situation and other problems will be analyzed.

[Begin Lula recording in Portuguese with simultaneous Spanish translation] The trip begins in Cuba because Cuba is a very important country for all of us. Cuba has been able to solve the problems of hunger, infant mortality, and illiteracy. Cuba is a brother country and we take into account the friendship that exists between our Workers' Party and the PCC. [end recording]

Havana Interviews FMLN Member on El Salvador

PA0801140189 Havana International Service in Spanish 0100 GMT 6 Jan 89

[Unattributed report on interview with FMLN member Javier Castillo by Estrella Diaz in Havana; date not given—recorded]

[Text] During the ceremonies commemorating the 30th anniversary of the Cuban Revolution, Havana served as the meeting point for political leaders and other distinguished visitors from many countries. During these celebrations Radio Havana had the opportunity to speak to Javier Castillo, member of El Salvador's FMLN. Here are several portions of that interview:

[Diaz] Bearing in mind the decay of Duarte's government and the increase of popular movements—including, of course, the guerrilla movement—what does the FMLN predict for the upcoming March elections?

[Castillo] The upcoming March elections in El Salvador are not a solution to the crisis our people are experiencing. They are not a solution to the basic problems affecting our people. We predict that in 1989 the war will continue advancing throughout all our country's departments and that the people's struggle will become stronger day by day.

The FMLN-FDR has reaffirmed its desire and determination to find a political solution to the conflict, because it is convinced that the elections will not solve our country's crisis. We have also reaffirmed that only a new kind of government—composed of the majority of our country's political, economic, and social forces—will be able to deal with the serious problems in El Salvador.

[Diaz] Castillo, a moment ago you mentioned the issue of negotiation. There will be an important meeting of Central American leaders on 15 January in San Salvador. How does the FMLN view this meeting? How does the FMLN think the meeting will affect El Salvador's guerrilla movement?

[Castillo] First, the FMLN has said it agreed with the principles underlying the Esquipulas II agreement ever since the agreement was proposed. We insist that the best solution for our people would be a negotiated political solution to the conflict in El Salvador. We hope the Central American presidents will find specific ways of developing the peace process in Central America.

We also feel, however, that there cannot be a uniform peace proposal that applies to all the different countries. Each country has its own traits and its own problems. In the case of El Salvador, our people's struggle has very dramatic and specific characteristics. We cannot conceive of a solution to the problem in our country that does not contemplate the participation of the vast majority of our people and the FMLN-FDR.

We will remain alert to the outcome of this upcoming presidents' meeting. We hope it will specifically direct us toward a peace that will allow development, progress, and self-determination for the countries of Central America.

Dominican Republic

* 1988 General Revenues, Customs Receipts

32480048A Santo Domingo LISTIN DIARIO in Spanish 3 Dec 88 p 2

[Text]

Fiscal Revenues

During the January-October period of 1988, fiscal revenues totaled 3,523.5 million pesos, compared to 2,327 million during the same period of 1987. This reflects an increase of 51 percent over last year. If the dollar income the government has received from Falconbridge is included, fiscal revenues for the first 10 months of 1988 approximate 4 billion pesos.

On the other hand, beginning in July 1988 fiscal revenues began to fall, from 419.8 million pesos in that month to 399.3 million in August, 345.0 million in September, and 331.8 million in October. This decline in revenues is attributed primarily to the drop in collections

of customs tariffs and the income tax, which fell by 49 million and 55 million pesos, respectively. It is disturbing to note that whereas fiscal revenues increased significantly in October 1987, they continued to fall in October of this year.

Foreign Trade Taxes (Customs)

The income received from imports and exports accounted for 46 percent of total fiscal revenues, reaching 1,627.7 million pesos during the January-October period of 1988. This figure exceeded the 1987 total by 718.8 million pesos, an increase of 79 percent. The increase in customs collections is due to the rise in the exchange rate used for the payment of value added taxes on imports, and to improvements in the systems for verifying and evaluating these imports. Nevertheless, beginning in July 1988, customs collections have fallen. They dropped from 207.1 million pesos in July to 177.3 million in August, rising slightly to 179.0 million in September, only to fall again to 158.5 million pesos in October. This was to be expected, given the import bans that were declared in April of this year. In addition, the foreign exchange recirculation system that was begun in August 1988 has hampered the fluidity of private sector imports because of the requirements that the Central Bank give prior approval for imports, and that there be prepayment of the pesos in letters of credit.

Income Tax

Fiscal revenues derived from the income tax between January and October 1988 amounted to 24 percent of all fiscal revenues. They reached 856.5 million pesos, an increase of 374.3 million pesos or 78 percent. This significant increase in revenues from the income tax is due, among other factors, to higher nominal profits earned by businesses as a result of inflation; to the increase in wages and salaries of blue- and white-collar workers, many of whom have risen to higher tax brackets (inflation tax); to the higher number of taxpayers; to the increase in contributions from Rosario Dominicana; and to the reduction in tax exemptions to a maximum of 50 percent of net taxable income.

Internal Revenues

Between January and October 1988 fiscal income derived from internal revenues rose to 649.4 million pesos, representing 18 percent of all revenues. This makes a 41-percent increase over the same period of 1987, when such earnings amounted to 459.2 million pesos. The main reason that income from internal revenues is not higher is the drop in income from the oil differential. The latter reflects the increase in the exchange rate without any corresponding increase in fuel prices.

If fuel prices go up next year in keeping with the exchange rate, internal revenues will account for a significant growth in income, as well as a larger share of total revenues.

Jamaica

Seaga Discusses 'Close' General Election Race

FL0601204989 Bridgetown CANA in English 1912 GMT 6 Jan 89

[Text] Kingston, Jamaica, Jan 6, CANA—The Jamaica Parliament will be dissolved Saturday in the first move towards general elections, the result of which Prime Minister Edward Seaga expects to be close.

Seaga told reporters Thursday about half of the 60 seats in the House of Representatives were "marginal" and could go either way.

"The most that we can say is that, on that basis, it ought to be very close," the prime minister said.

Seaga on Wednesday night declared that he would announce the election date on January 15.

On Thursday he said had advised the island's governor general, Sir Florizel Glasspole, to issue a proclamation dissolving Parliament Saturday, three days before the constitutional end of its life.

Seaga, whose Jamaica Labour Party (JLP) is trailing Michael Manley's People's National Party (PNP) by 10 points in public opinion polls, must hold the election no later than April 10. But with the campaigning heating up, Seaga expects to close the gap on the PNP and come out of the election with even a narrow victory for his party.

"My own view is that we will go into the campaign period with a rather close position," Seaga said at a press briefing.

He argued it was his party which would have fresh things to tell the electorate while the opposition had already shot its bolt. Seaga claimed that both parties could count on about 15 seats each, and the other 30 could go either way. "...some are marginal towards the PNP, some marginal towards the JLP," Seaga said.

"There is a shifting course throughout the entire pre-election period and that will continue into the election period," he said. "A number of seats are going to be decided by marginal votes.

"On that basis, it is difficult to call an election result," he added.

While cautious about the numbers, Seaga remained confident that he would get an uprecedented third consecutive term in Jamaica's first seriously contested general election since he came to office in 1980.

The PNP boycotted snap election in December 1983, accusing the government of using an outdated voters register. However, the PNP won a landslide in the 1986 local government elections.

Seaga, who sets off Saturday on a major campaign swing across Jamaica, expected his party to pick up a "traditional" three points early on and gather more support as the campaign went on.

On Saturday night Seaga plans a major rally in the north coast resort of Montego Bay before travelling across the island over the next week. Afterwards, he returns to Kingston for the election date announcement.

Arms Shipment Seized; Foreigners Detained
FL0701192189 Bridgetown CANA in English 1830 GMT 7 Jan 89

[Text] Kingston, Jamaica, Jan 7, CANA—A shipment of arms, bound for Colombia has been seized in Jamaica and a number of foreigners detained after Colombian officials said they knew nothing of the shipment, according to Jamaica's National Security Minister Errol Anderson.

Anderson confirmed the presence of the arms Friday night after the opposition People's National Party (PNP) had brought the issue to public attention. The party had claimed that some of the guns had been removed and were "now in certain communities in Kingston." Anderson and security officials were expected to hold a news conference later Saturday to give more details. However, the independent Radio Jamaica (RJR) reported that eight persons were detained—three Colombians, four Panamanians and a Briton.

No names or positions were given.

In his Friday night statement, Anderson did not give the number but said that foreigners involved in the matter "have been questioned and are being deported."

It was not precisely clear when the arms arrived in Jamaica, but the GLEANER newspaper said Saturday that they came aboard the vessel "Copacabana" the docked here from Portugal.

According to Anderson's statement, a local shipping agent had requested security escort and protection for the trans-shipment of the arms through Jamaica. "After some delay, the consigneee was eventually contacted and separate arrangements made for this cargo to be collected directly," the statement said. However, much of what happened afterwards remained unclear from the Friday night statement.

The National Security minister in an interview with Radio Jamaica aired Saturday said that Colombian officials had been contacted and disclaimed all knowledge of the shipment. This sparked investigations by security officials from the two countries, Anderson said.

Colombian Embassy officials were unavailable for comment.

In his statement, PNP shadow security minister, K.D. Knight said the matter of arms coming into Jamaica was of "critical importance with serious potential consequences for the country and the upcoming elections."

He called for a clear statement from Prime Minister Edward Seaga.

St Lucia

Compton Urges Greater Police-Court Cooperation
FL0701172589 Bridgetown CANA in English 1659 GMT 7 Jan 89

[Text] Castries, St Lucia, Jan 7, CANA—St Lucia's Prime Minister John Compton has called for greater co-operation between the courts and the police department in dealing with drug related crimes.

"The drug issue is such a critical problem that the government and police must get all the support from the public and the courts," Compton said.

His comments have come in the wake of conflicts between the police and magistrates, who in recent times have thrown out a number of drug cases owing to the absence of key witnesses and the prosecution from the court when cases are called. Compton said that government had taken the necessary steps to ensure that legislation was in place to deal with the drug barons, only to become frustrated by the technical objections of the courts.

"I am not saying that they should break the law or not deal with the proper procedures, but there must be a perception in the public mind that the courts are co-operating with the police in dealing with this really serious problem," he added.

Compton contends that if the police bring someone who has a reputation of dealing in drugs before the courts then government expects "everything to be done to ensure that technical objections do not come in the way of justice."

Salinas New Year's Address Discusses 'Recovery'
PA0801005189 Mexico City Red Nacional 13 Imevision Television in Spanish 0200 GMT 6 Jan 89

[New year's address to the nation by President Carlos Salinas de Gortari in Mexico City; date not given—recorded]

[Text] Good evening, compatriots. I thank you for the opportunity to enter your households and share the commitments and perspectives for the new year that is just beginning.

I have made a commitment to do my best this year to improve the welfare of Mexicans and to ensure that justice will be served. Also, we want to take firm steps toward a more democratic life and recovery in national development. We want to do all this to strenghten our great country among the nations. We will do this while maintaining the liberties that are so dear to Mexicans.

We have already defined the strategy and have begun to implement the main measures for the year that begins today [as heard]. In 1989, we will succeed in bringing back economic growth while consolidating our fight against inflation.

We have already made great efforts through the [Economic Solidarity] Pact to achieve stability; we have seen the results in practice; the pact has worked. It has demonstrated that when Mexicans unite we can achieve successes that are even noticed abroad; but, more importantly, that benefit our families and ourselves.

I have pointed out that 1989 is a transition year because we must remove the heavy burden of the foreign debt from the backs of Mexicans. We will achieve this through firm negotiations. I have said that we will avoid confrontation but that we will take new steps in the debt renegotiation to allow Mexico to achieve sustained growth again.

The negotiations will be difficult and complex and will take some time, but not too long, because we must start to grow again now. Otherwise we will not generate the jobs that thousands and millions of youths demand from us, and we will not be able to raise the salaries of those already working either.

Therefore, we will renegotiate the debt firmly. We have not been inactive. The finance secretary has already started talks with his U.S. Government counterpart and we will hold similar meetings with representatives of other industrialized governments, commercial banks, and international financial organizations of various countries affected by the debt problem, which has become a very complex international political challenge. Our renegotiation process has attracted international attention. However, my main concern is for the interests of Mexicans and to promote the welfare of my compatriots. We will take firm steps in the debt renegotiation while keeping this main objective in mind.

We need greater efforts at home while the debt renogotiation is underway. Above all, compatriots, we must unite to achieve greater strength at home to face the negotiation abroad and bring about strong and lasting progress for the country. In the debt negotiations, we are facing one of the decisive battles to recover the country's growth and development.

We must work together; we must be united. Everyone must contribute their efforts, work, and daily commitment to this difficult, complex, but I am sure, ultimately successful debt renegotiation.

In the pact, we have already agreed on what we must do at home to strengthen ourselves abroad and consolidate the fight against inflation. The business sector has agreed in all negotiations so far to contribute as much as they can to absorbing as part of their costs the increases in taxes and fares, and not pass them on to the consumer. This is an additional effort that they are making and one that I praise.

The workers are also making praiseworthy efforts. They accepted a moderate [wage] increase mainly to avoid affecting prices, to avoid having to immediately increase prices with each wage increase, as in the past when nobody benefited in the end.

Peasants are also making additional efforts. There will be no increases in guaranteed prices until the new cycle begins. In the meantime, however, we will give them regional incentives to soften the effects of price increases in electricity—which they need for the wells—and the fertilizers they need for their crops.

The government will do its share, observing strict discipline on spending and avoiding increases that would affect consumers. I received but rejected proposals to increase the price of gasoline, domestic gas, and electricity because, with all our efforts, we could not ask consumers to make an additional contribution when the country has not yet resumed its economic growth. Therefore, I rejected the increases and we will simultaneously take steps to increase the social welfare of our citizens.

We are in a transition period, but this does not mean stagnation. Mexico will grow again. We are going to launch important projects this year, such as the country's largest hydroelectric dam and the modernization of our highway and telecommunications infrastructure. We will make efforts to lay the foundations of a sustained recovery.

We will not ignore social development while doing so. I have assumed a commitment to those who have less, to my countrymen who have suffered the most because of

the crisis. For them we have launched the social solidarity program. It will attend to their health, housing, education, and environmental needs, with particular emphasis on the Indian groups—who are invoked quite often in our speeches but get little attention in our daily actions—and on low-income urban groups and the poorest groups in the countryside. This is the goal of the social solidarity program: to provide solutions to the daily, heartfelt needs of the underprivileged, even before growth is resumed.

There will also be opportunities for middle-income groups—professionals, intellectuals, technicians, and teachers who are demanding an opportunity to improve their position and devote their full talent, ability, and knowledge to the country's development. All this will be done within the framework of our liberties.

Particular attention will be paid to children, who are the country's future and are already among us. A program has been launched on school breakfasts and for the maintenance and refurbishing of their schools, schooldesks, and the blackboards on which the teachers impart to them today the knowledge they will find indispensable tomorrow. So we are paying attention to the children and to the citizens who have contributed to our great nation with their efforts and sacrifices; and to the pensioners and retirees who, thanks to the recent reforms, will get greater benefits and consequently better lives.

I am giving special attention to the educational challenge. In the next few days we will begin consultations with teachers, parents, specialists, and all those interested in improving the quality of education in our country. A great scientific and technological revolution is taking place in the world. We must prepare to be in its vanguard; this demands the modernization of Mexico's general educational system. This is a major task and I am convinced that Mexicans have the ability and talent to forge ahead with it.

An issue of particular concern to my fellow citizens is security. Therefore, based on the initiatives which I have presented to the Congress that have already been approved, criminals who attack Mexican homes and women's integrity and commit the most insensitive and traumatic crimes will receive stiffer penalties. I know that harsh laws are not enough. However, having strengthened our laws, we will now take action with the offices responsible for enforcing them and providing security .

Consequently, my fellow countrymen, we have the opportunity to make 1989 a year of realized hopes, during which we must assume joint responsibility for the necessary efforts. It is certainly a year of challenges. We Mexicans have always faced them. However, it is also a year of opportunities that we must face with courage and optimism. I have it and know that most of my fellow citizens share it.

Therefore, in facing the huge battles—the debt, justice, democracy, liberties, and national development—all of us—each and every Mexican—has a task to fulfill. No task is small. Let us turn victories in the renegotiation abroad into success for Mexicans, and let us turn each one's progress into benefits for all. This is the meaning of joint responsibility and the opportunity which the new year affords to all of us.

Therefore, on this occasion, on behalf of my family, I wish your family and those of all Mexicans joy, peace, unity, and peace in your homes. Let this be a good year for all, fellow countrymen.

Salinas To 'Firmly' Renegotiate Foreign Debt

PA0701151189 Mexico City Red Nacional 13 Imevision Television in Spanish 1300 GMT 5 Jan 89

[Text] Mexican President Carlos Salinas de Gortari has said the Mexican foreign debt will be firmly renegotiated so Mexico stops exporting its capital.

President Salinas made these statements at a swearing-in ceremony for the new members of the Mexican Railroad Company Executive Committee:

[Begin Salinas recording] The welfare of all Mexicans, including rural and urban workers and you railroad workers, is the ultimate goal of all government actions. Employment, safety, education, health, food, and housing are the goals we are pursuing.

We must combine and strengthen our efforts to handle succesfully the renegotiation of our foreign debt with the international creditors. The fruits of our labor will no longer be diminished by the burden of having to send so many resources abroad. We will produce to grow and modernize our homeland to attain the well-being we all desire.

You can be sure, comrade railroad workers, that we will renegotiate the foreign debt in a firm manner so that the fruits of Mexican labor remain in our homeland. [applause] [end recording]

Public Employees Receive 10-Percent Wage Hike

PA0701143989 Mexico City Red Nacional 13 Imevision Television in Spanish 1300 GMT 5 Jan 89

[Excerpt] Two million Mexican public employees will receive a 10-percent wage and benefits increase.

[Begin unidentified speaker recording] The 10-percent wage increase for public employees will be effective as of 1 January. The funds available for short and long-term loans for public employees will be slightly more than doubled. There will be a 50-percent increase in benefits for seniority every 5 years. Each 1 September, public employees' benefits will be negotiated and increased following the submission of a request to this effect from public workers. Bonds

for public workers will no longer be required so that upper- and lower-level workers are treated in the same manner. [end recording] [passage omitted]

Police Seize Cocaine, Arrest 11 Suspects

PA0701201489 Mexico City XHTV Television in Spanish 0200 GMT 7 Jan 89

[Summary] After a 30-day investigation, Federal Judicial Police officers arrested a band of 11 suspected drug traffickers and confiscated 3.09 kg of cocaine, a .22-cal submachinegun, a precision scale, two sports cars, and a truck. Nine of the detainees were arrested in Ecatepec, Mexico State, while the band's two leaders were arrested in Guadalajara, Jalisco State. The band was led by two brothers, Alejandro and Rodrigo Fonseca Cruz, nephews of Mexican drug trafficker Ernesto Fonseca Carrillo, alias "Don Neto," who is currently being tried for crimes against the people's health. Authorities allege that the suspects intended to distribute the confiscated cocaine in bars and discotheques in Mexico City, Mexico State, and the city of Guadalajara.

El Salvador

2,000 Agriculture Ministry Workers on Strike

PA0801160889 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 6 Jan 89

[Text] Labor conflicts in Salvadoran state institutions worsened today when 2,000 Salvadoran Agriculture Ministry employees declared a strike. The workers announced they will extend their strike progressively to other centers administered by the government.

Spokesmen of the Central Organization of Salvadoran Workers, CTS, asserted that the 2,000 workers are on strike to protest the arrest of labor leader Vilma Vasquez, who was accused by the government of being a member of the guerrilla movement.

Vasquez was arrested along with her husband, Jaime Estebez, at their home early on the morning of 24 December by the police and was subsequently charged and imprisoned for possession of subversive documents and drugs and for belonging to guerrilla organizations.

CTS Secretary General Hugo Antonio Martinez said the workers also declared the progressive strike because the Agriculture Ministry owes its workers 7 months of overtime pay and benefits. Martinez added that Agriculture Minister Jose Antonio Morales promised to reinstate seven employees who were dismissed for participating in labor union activities and has not yet done so.

The strike will entail the loss of vegetable plantations and the suspension of quality control of milk and meat.

Meanwhile, workers of the Salvadoran Energy Institute announced that on 9 January they will begin a nationwide strike in view of the nonfulfillment of their demands.

Ungo Denies Accusations Regarding FMLN Threats

PA0701160589 San Salvador Canal Doce Television in Spanish 0300 GMT 5 Jan 89

[Excerpt] Guillermo Ungo [presidential candidate for the Democratic Convergence (CD) coalition] tonight rejected the accusations made by ARENA [Nationalist Republican Alliance] presidential candidate Alfredo Cristiani to the effect that the FMLN is threatening to destroy the towns of peasants in eastern El Salvador to induce them to vote for the CD. Ungo described Cristiani's accusations as political propaganda:

[Begin Ungo recording] What is evident is that Cristiani has asked, threatened, and even demanded that the mayors of the eastern area resign. But that is another situation on which we disagree, and we have said that we disapprove of any type of action that affects the civilian population and civilian officials who are not directly responsible to the military, or should not be, in our judgment.

Cristiani wants to create political propaganda, perhaps because he realizes that in eastern El Salvador, as in the rest of the country, much sympathy is being expressed for the CD, and the people identify with these expressions and positions. [end recording]

The CD presidential candidate said that the Armed Forces are obstructing his political organization's campaign, which, he said, clearly demonstrates the partiality of the Armed Forces. [passage omitted]

FMLN Reports Clash With Honduran Army

PA0801123689 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 7 Jan 89

[Text] We have been hearing both Honduran and local radio reports on an alleged clash between FMLN guerrilla columns and Honduran Army troops in Honduran territory. As a matter of fact, Honduran Army units entered the area north of Morazan Department, on the Honduran border, in the afternoon of 4 January and clashed with FMLN units.

Regarding this clash, we would like to repeat—as we have on many occasions—that the FMLN is not interested in a war with the Honduran Army. However, if Honduran troops enter Salvadoran territory, they must bear in mind that Salvadoran groups have entered Morazan from Honduras on many occasions and that Honduran troops have also entered this territory during enemy operations. When our guerrilla army locates enemy patrols, it cannot distinguish Honduran from Salvadoran troops. It thus opens fire on them and there is a clash—and this was what happened on 4 January in Morazan Department on the Honduran border.

Once again, we urge the Honduran Government and Army not to get involved in a foreign war. They already have enough problems with the contras because they are involved in the war in Nicaragua. They should not get involved in a war, we repeat, in which they have absolutely nothing to win and very much to lose. They have learned their first lesson—they now have to deal with the contras, or the "beggars armed with clubs," as the Honduran Army calls them.

Says No Meetings With Hondurans

PA0701024089 (Clandestine) Radio Venceremos in Spanish to El Salvador 0147 GMT 7 Jan 89

[Communique issued by the FMLN General Command in San Salvador on 6 January]

[Text] The FMLN, in the spirit of Esquipulas II,has on many occasions demonstrated its willingness to participate in the quest for peace in Central America. Our front has shown that it is willing to talk with the Honduran Government and Armed Forces to eliminate the tensions that have resulted from the armed conflict in El Salvador

We hereby state that recent media reports of a meeting between FMLN-FDR representatives and the Honduran Armed Forces are absolutely false.

El Salvador, 6 January 1989
FMLN General Command

Farabundo Marti Issues War Reports
PA0801135289 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 2300 GMT 5 Jan 89

[Excerpts] These are [words indistinct] Modesto Ramirez Front war reports.

On 3 January, there was an attack on the finance police of Nueva Concepcion, Chalatenango Department. Eight policemen were seriously wounded. On the same day, when the enemy was trying to remove a barricade set up by our [words indistinct], killing two finance policemen. [passage omitted]

In 1989, all our guerrilla forces, militias, units, and urban commands initiated the year by inflicting dozens of casualties on Duarte's army, carrying out sabotage against the war economy and propaganda activities, and taking the message of our revolutionary vanguard to all corners of the country. [passage omitted]

Honduras

Azcona on Central American Peace; Nicaragua
PA0601233689 Tegucigalpa Voz de Honduras Network in Spanish 1728 GMT 6 Jan 89

[Interview with President Jose Azcona by unidentified reporters at the Presidential Palace in Tegucigalpa on 6 Jan—recorded]

[Text] [Azcona] We will discuss topics of interest to Honduras, meaning the Central American situation, economic issues, and military issues [at Azcona's meeting with President Reagan and President-elect Bush on 10 January]. We will discuss economic and military aid.

[Reporter] What specific issues, Mr President?

[Azcona] We do not have a specific agenda to discuss because we would first have to submit and agree on an agenda. However, we will talk about issues of interest to Honduras.

[Reporter] Will you discuss the next presidential summit meeting, Mr President?

[Azcona] It is not on the agenda but President Bush will surely be interested in hearing our views about the upcoming presidential summit.

[Reporter] You are going to El Salvador after the meeting. What proposals will you make at the presidential summit?

[Azcona] We have none. There is no specific agenda for the meeting in El Salvador, but we must talk about Esquipulas II, the pledges made in the Esquipulas II agreements, what has and what has not been complied with. We must also discuss the situation with Nicaragua.

[Reporter] Mr President, (?the foreign secretary) said that initiatives will be presented at the summit.

[Azcona] Maybe, but they must deal with the main topic, namely Esquipulas II. We must also press for the internationalization of our borders with El Salvador and Nicaragua. This is a fundamental requirement for Honduras, particularly following yesterday's events—when a group of Salvadoran rebels attacked a Honduran patrol inside Honduran territory.

[Reporter] Mr President, you and other Central American presidents have implied that Esquipulas II is finished and that it has proved ineffective. Could Honduras propose an alternative to Esquipulas II?

[Azcona] I do not think that Esquipulas II is finished. The democratization of Nicaragua has still not been attained and Nicaraguan President Daniel Ortega has made a serious pledge that it will be. I believe that a lot can be done on this issue, and that we can request the fulfillment of those pledges. Therefore, I do not think that Esquipulas II is finished.

[Reporter] Mr President, will the Central American nations present joint proposals in Washington? Why did the Costa Rican president call you?

[Azcona] We will not present joint proposals in Washington because there will be no other president there but myself.

[Reporter] Mr President, can you confirm that there is no bilateral treaty with Nicaragua?

[Azcona] No, no, no. There must be an overall solution to all the problems because a bilateral agreement would not solve the internal problem in El Salvador, for example, or any problems that Costa Rica might have. In fact, it does have a problem with the thousands of Nicaraguan refugees inside Costa Rica. Therefore, an overall solution is necessary.

[Reporter] [Words indistinct] the contra problem. What are you going to suggest to the U.S. Government, Mr President?

[Azcona] As I have repeatedly said, we want to find a solution and will ask the U.S. Government to help us.

[Reporter] In what way?

[Azcona] In the best way for our interests.

[Reporter] [Words indistinct] your government that Nicaragua withdraws the suit, although the foreign minister said the withdrawal of the suit no longer matters. I, however, want to ask whether you think you would have the consent of the other Central American countries?

[Azcona] President Duarte told me he is willing to request that. He told me that on 24 December when I called to wish him a Merry Christmas. He told me something to that effect as did Salvadoran Foreign Minister Acevedo.

[Reporter] What can you tell us about the other two countries?

[Azcona] I believe the other two countries would also agree, because if Honduras tries to negotiate along with the other Central American countries while at the same time facing a legal suit, it would be placed in a very uncomfortable position, especially as Honduras maintains all forms of relations with Nicaragua, including trade relations.

We must not forget the supply of electricity to Nicaragua and in fact Nicaragua owes us a lot of money for that service and the Honduran people are aware of that. We have never taken any action in that respect to cause more problems for Nicaragua. For example, we have never stopped sending them electricity, so Nicaragua's attitude is somewhat incongruous. Because of something Nicaragua itself created, Honduras is now being accused at the International Court of Justice [ICJ].

We will, of course, respond to the suit. We will not withdraw from the ICJ trial. If the ICJ declared itself competent to judge this issue, we will respond to the suit and will not resort to anything that could harm Honduras' international image.

[Reporter] Mr President, in your opinion what is the Gordian Knot of this issue, what is the most serious and difficult problem [words indistinct] is facing and where is the problem located exactly?

[Azcona] As I have often said, the most difficult problem is democratization in Nicaragua. That is practically the entire problem, although some do not agree. I believe that is the most serious problem here. If there is [words indistinct] in Nicaragua, it will be very difficult for other Central American countries to make progress. There is the contra movement for example. The contras are not fighting inside Nicaragua and that is a problem that could be overcome. What cannot be overcome in Nicaragua is the fact that if there is no democratic opening in Nicaragua, their economic situation will continue as it is and we will keep receiving refugees and the economic situation in Honduras will deteriorate further.

[Reporter] Do you hope this [word indistinct] will bring something positive for the Central American peace process?

[Azcona] I hope so.

Central Bank President on Foreign Debt

PA0501002489 Tegucigalpa LA TRIBUNA in Spanish 3 Jan 89 p 2

[Report by Danilo D. Antunez]

[Text] Honduras allocates some 2 million lempiras per day for the payment of the foreign debt, Honduras Central Bank President Gonzalo Carias Pineda has said.

He explained that in 1988, Honduras paid 650 million lempiras to service its foreign debt, of which 380 million was paid toward the interest and 270 million to the principal.

If the country does not contract any further debts, and if it continues paying off the principal at the rate of 270 million per year Honduras would finish paying its foreign debt, which is approximately 6.208 billion lempiras in 23 years—in the year 2012.

Carias Pineda added that 80 percent of the Honduran foreign debt was contracted with multilateral financial organizations such as the World Bank, the IMF, the IDB, and AID.

"Those organizations are inflexible regarding renegotiating the debt. We are seeking—at the level of a group of debtor countries—to renegotiate with those financial institutions or to simply not pay the debt, but this means the country would be blacklisted and would be the object of a discredit campaign," Carias commented.

He added that Honduras is currently working on renegotiating its commercial debt, which this year will amount to some $100 million.

Carias added that "Honduras is going to renegotiate the bilateral debt—which accounts for 20 percent of the foreign debt—with each country and will demand multilateral financial organizations provide us with positive flows," Carias added.

The Central Bank president reported that in 1988, Honduras paid $325 million (650 million lempiras) to service the debt, which represents allocating 30 percent of the Gross Domestic Product to service the foreign debt.

"Out of the $325-million payment toward our foreign debt—which is approximately $3 billion—48 percent, $135 million, was used to pay off the principal; and 52 percent, $190 million, was used to pay off the interest," Carias added.

Carias said most of the Honduran payments to its foreign debt were made to the IMF, the World Bank, and the IDB.

"Imagine, we paid $86.5 million to the World Bank, $60 million to the IMF, and $38 million to the IDB; in other words, we paid about $200 million to those three organizations. If the debt is renegotiated, those funds could be used to substantially increase our production, because that exchange would be used for basic imports," Carias said.

Carias Pineda said the problem Honduras has with the financial organizations is that they are refusing to refinance the debt, which is a problem faced by other Latin American countries. "Therefore, we should all be united to dot the i's and cross the t's and tell them: This is it, because when the credits were granted, those who granted them were fully aware they were drowning us."

Carias added that the worst part in this case is that "those organizations are not only inflexible when collecting their funds, but also obligate countries to pay at any cost, ignoring the internal repercussions such as social upheavals and other conflicts."

There have been serious problems in other countries, Carias said, as happened in the Dominican Republic, where over 100 people were killed because of an agreement with the IMF. "We do not want this to happen in Honduras," Carias stated.

Contra Leader Killed on Tegucigalpa Highway

PA0801031189 Buenos Aires REUTER in Spanish 0140 GMT 8 Jan 89

[Text] Tegucigalpa, 7 Jan (REUTER)—A ranking official of the Nicaraguan contra military leadership was killed today by unidentified persons in the northern part of this capital, rebel sources have announced.

Manuel Adan Rugama Acevedo alias Commander "Aureliano," who was secretary of the council of army commanders of the Nicaraguan Resistance (RN), was killed by eight shots from a Uzi machinegun, according to the contras.

Rebel sources explained that the guerrilla leader was intercepted by unidentified persons while driving a jeep on the northern highway of Tegucigalpa.

They said that the unidentified persons who were driving another vehicle forced "Aureliano" off the highway and machinegunned him when he stopped.

The death of "Aureliano," a 38-year-old surgeon, occurs amid a leadership dispute in the RN between its current leader, Colonel Enrique Bermudez, and dissident commanders.

Nicaragua

Ortega Speaks at Ceremony Honoring Jakes

PA0701164189 Managua Domestic Service in Spanish 0210 GMT 7 Jan 89

[Speech by President Daniel Ortega Saavedra during ceremony to confer the Order of Augusto Cesar Sandino on Milos Jakes, general secretary of the Czechoslovak Communist Party, at the Olof Palme Convention Center in Managua—live]

[Text] Comrade Milos Jakes, comrade members of the Czechoslovak Communist Party delegation, we welcome you to the home of Sandino, Rigoberto Lopez Perez, and Carlos Fonseca Amador. We welcome you to Nicaragua, land of brave men and women who today fight to defend independence, sovereignty, democracy, freedom, justice, and the right to the peace won on 19 July 1979.

This morning, after we left the airport, Comrade Jakes and the members of the Czechoslovak delegation visited the Victoria de Julio Sugar Mill. During the tour, we had the opportunity to talk about the efforts Nicaragua is making to consolidate this revolutionary process and the efforts being promoted by the brother countries of the socialist community to promote peace in the world.

Czechoslovakia's efforts in this field, as expressed by Comrade Milos Jakes, are aimed at promoting coexistence among the members of NATO and the Warsaw Pact. We talked about the meaning of a peace that will guarantee safety for all the peoples of the world—for the large as well as small nations. We talked about the progress made by socialism throughout the world. This progress is of an irreversible nature. We also talked about the socialist trend of the Nicaraguan revolution after the struggle waged by the FSLN, the Nicaraguan workers and peasants, to defeat capitalist and imperialist domination as expressed in the last phases of Somozism. We talked about Czechoslovakia's experience in the construction of socialism and Nicaragua's experience in the construction of a revolutionary process aimed at a total liberation of man and at changing his social awareness, which should not only be expressed in theory but also in practice. Only in this manner will we establish the real basis for socialism in our homeland; socialism born of the people and not from a decree or imposed on the people. This explains why the Nicaraguan people, especially the FSLN, feel that a mixed economy, political pluralism, and international nonalignment are essential elements during this current phase being experienced by our people and nation, which is the defense of the revolutionary power. How this will be achieved will have to be determined by the people and not by whims or decrees.

During the tour, we also talked about the economic efforts being made to increase productivity under very difficult conditions, such as the war, the embargo, and the blockade being endured by our people. We talked about the measures we have been forced to adopt in order to protect our ideas of political pluralism and mixed economy. We talked about the views of the members of the FSLN National Directorate expressed during our meetings to discuss and analyze our situation and the results of all the measures promoted since February 1988. We have tried to strengthen our revolutionary process by pinpointing and correcting our own mistakes, faults, and weaknesses.

We are aware and convinced that we are living at a historic moment that calls for making historic decisions to defend and consolidate the revolutionary process, to keep the revolution from suffering changes, and to guarantee the fairness of our revolutionary process. Our revolutionary process has opened its arms to all the social, economic, and political sectors of Nicaraguan society.

We also talked about the fact that we cannot, at this time, say that peace and detente has come to Nicaragua. The problem of the war has not been solved. The problem persists, but not because of the Nicaraguan people, government, and the FSLN. Locally, as well as abroad, we have presented numerous initiatives. The FSLN, the Nicaraguan workers, peasants, and the main forces of the revolution, have been very flexible in their initiatives. More than once we have invited the opposition political and economic groups to sit down and talk. More than once we have placed all our trust in the peacemaking efforts sponsored by the leaders of the Catholic Church, by Cardinal Miguel Obando y Bravo.

We have also adopted numerous economic measures and actions aimed at strengthening the mixed economy. The heaviest burden of these economic measures and actions has fallen on the workers, agricultural engineers, industrial sector workers, teachers, health sector workers, and

government workers. These sectors are carrying this heavy burden so that the producers can get loans, so that the producers can get the dollar incentives they need, so that the producers can enjoy a standard of living that is far above the standard of living of the majority of the Nicaraguan people.

We have done all in our power to give freedom of expression to the media and the opposition sectors that defend the terrorist policy of the U.S. Government. How many Somozist guardsmen and counterrevolutionaries have been pardoned by the government? How many times have we offered to sit down and talk with the counterrevolution? How many times have we expressed our willingness to sit down and talk with the U.S. Government? How many times did we go before the Contadora Group to present initiatives? How many times did we present initiatives within the framework of Esquipulas? No one can say that we have only been thinking of ourselves, that we lack feelings, or that we are radical. We will lack feelings and be radical only when defending our revolutionary principles and the rights of the workers, peasants, and laborers. We will lack feelings and be radical when defending our homeland's sovereignty and self-determination.

We have also talked to Comrade Jakes and the members of the delegation about the experiences of the Czech people and the socialist community. We have talked about the peace agreements between the USSR and the United States. We have talked about regional agreements and the meaning of the whole negotiating process to solve the problems that the United States has created in Central America. We have also talked about the fact that, despite all the efforts made by the USSR and the socialist countries, the arrogance, aggressiveness, and terrorism—as so properly described by the USSR—have once again surfaced with the recent U.S. threats to attack the brother people of Libya. We also talked about the peacemaking efforts in Central America.

While we toured the area and talked, we took it for a fact that the Central American presidential summit would be held on 15 and 16 January. However, we later received the surprise that President Arias—Costa Rican President Oscar Arias, a person who has expressed a deep interest in achieving peace in Central America—has contacted President Duarte and the other Central American presidents to propose the postponement of the summit. He sent me a letter today stating that it would be best to postpone the summit to avoid a failure of the meeting. He presented his letter to the Central American ambassadors and made the following comments:

He said that they, Costa Rica, feel it would not be suitable for the meeting to be held before the U.S. policy toward Central America is defined, especially since the assistant secretary of state for inter-American affairs has yet to be appointed. He said that the summit will fail if it is held before the swearing in of the new U.S. president. That is what he said. He also said that Venezuelan President-elect Carlos Andres Perez will be a new element in the scenario of Latin American politics; that he will bring new ideas and new knowledge that will help the Esquipulas process. He also said that the talks with Cuban President Fidel Castro—which began in Quito, Ecuador—and other Latin American leaders will continue in Caracas during the swearing in of Carlos Andres Perez. He added that the Central American Parliament must be viewed within the framework of the Esquipulas process and that if this process fails, the Central American Parliament will also fail. President Arias also said that, domestically, such a failure would have serious political effects for him.

President Arias said that UN Secretary General Javier Perez de Cuellar's response to the Central American governments' request that he propose verification mechanisms is very discouraging. Instead of responding to the suggestions made by the Central American foreign ministers, Perez de Cuellar questioned certain verification matters. Arias says that this means that another meeting with Perez de Cuellar will have to be requested, and this means that the Executive Commission, made up of the five Central American foreign ministers, will have to meet again. Arias claims that there is not enough time between the foreign minister's meeting and the summit, and fears that the Alajuela [Esquipulas II summit] mistake will be repeated. Therefore, he feels that the presidents need more time to prepare for the summit, thus guaranteeing the success of Esquipulas. He feels that the presidents should try to prevent another failure that the local and foreign enemies could use to their advantage.

Without proposing a specific date, President Arias has suggested that the summit be held in mid- or late February. He also suggested that the foreign minister's meeting should be held in Managua on 15 and 16 January. He claims that this will give everyone enough time to study the results of the meeting; however, if the foreign ministers do not approve this change, Costa Rica would not object to the holding of the foreign minister's meeting on the dates previously agreed upon.

Salvadoran President Jose Napoleon Duarte and Honduran President Jose Azcona agree with President Arias' proposal; however, Guatemalan Vice President Roberto Carpio and Nicaraguan Vice President Sergio Ramirez oppose it. President Arias says he has no ace up his sleeve. He said that his proposal is the result of much thought in the hope of holding the meeting at a better time. He added that the agenda suggested by El Salvador is not strong enough and that they [not further specified] want an agenda that will include discussion of democratization in Nicaragua, human rights in Guatemala, political dialogue in El Salvador. He said that time and much thought is necessary in order to reach an agreement on these matters. Arias also said that Carlos Andres Perez had announced that his agenda for the meeting with the Group of Eight will include the discussion of the foreign debt and the Central American problem.

These are the reasons President Oscar Arias gave for suggesting the postponement of the Central American presidential summit scheduled to be held in San Salvador.

A little while ago, I talked to President Duarte. He had called me earlier, but I was with Comrade Jakes and the Czech delegation. I called him back and we talked. I told him that I had heard about the proposal, but felt this was a problem because a consensus was necessary to postpone the meeting. Of course I told him I disagreed with the postponement of the summit, and President Duarte

agreed that it was best to keep the date of the summit, because on this occasion El Salvador is the host country. We are only a few days away from the summit. In this case, President Duarte told me he will talk with the other Central American presidents about President Arias' proposal. President Duarte will have to talk with President Azcona, who is currently away from Honduras, and with President Cerezo, who is also not in Honduras [as heard] now. President Duarte already knows the Nicaraguan position. Nicaragua wants to hold the meeting on the scheduled dates.

If there is a consensus, in other words, if the four Central American presidents—the Guatemalan, Honduran, Salvadoran, and Nicaraguan presidents—agree to hold the meeting on the scheduled dates, and if we are going to act democratically, we would expect President Arias to agree with the decision of the majority, and we would expect to hold the summit on the scheduled dates.

This meeting is the result of an agreement that the five Central American foreign ministers signed in Mexico City in early December. At that time, it was agreed that the foreign ministers would meet in Managua first and this would be followed by the summit in San Salvador.

The foreign minister's decision was later approved by all the Central American presidents. We all approved of the dates chosen by the foreign ministers.

The agenda is not the work of the imagination of the Salvadoran Government. The agenda is also the result of the agreement reached in Mexico City. Four of the five Central American presidents were in Mexico City at that time—President Arias was absent—as were the five Central American foreign ministers. The agenda approved in Mexico City includes specific and important matters to be discussed during the summit. It includes the discussion of verification and security mechanisms and the use of some Central American countries to launch attacks on other Central American countries. At that time, a letter was sent to UN Secretary General Javier Perez de Cuellar asking him to draft a proposal for verification mechanisms. Even though the secretary general's response does not mention any mechanisms, it does ask us questions that we must answer to give him a better idea of the type of verification mechanisms we need. The Central American people, and not the UN secretary general, will be responsible for the success, or failure, of the verification mechanisms. The other matter on the agenda we agreed on dealt with integral and total democracy in Central America, including Costa Rica.

No one has designated Costa Rica as the referee in this matter. Costa Rica is part of the agreement. Costa Rica has committed itself to respect human rights and strengthen democracy just as the other four Central American countries have done. It is the responsibility of the five Central American countries to draft the verification mechanisms, and these must be based on respect for human rights, civil liberties, and so forth.

We must not forget that we have not met since our last meeting in Alajuela on 15 and 16 January. Our peoples, and the world, began to have their doubts. We told them that a Central American presidential summit would be held in August on the occasion of the 1st anniversary of the signing of the Esquipulas agreement, but that meeting was never held. The fact that the meeting was not held was like dumping a bucket of ice water on the people. A date was set and the meeting was not held. In early December, when everyone thought that Esquipulas was dead and buried, we decided to meet again on 15 and 16 January in San Salvador and broach these specific matters. The very fact that we have set 15 and 16 January as the dates shows the Central American governments' determination to hold the summit. We are not going to wait until the new U.S. Administration assumes command to discuss our problems and try to solve them. There is great bloodshed in Central America. Men, women, and children are dying in Central America, not in the United States of America.

It is true that Costa Rica does not have the high degree of suffering, death, and bloodshed that is found in other Central American countries. By not meeting on the date we had scheduled—and this after creating new hopes for the people of Central America, to whom we have an obligation—and proposing a new date for the meeting, either in mid-February or late February, we would practically be killing Esquipulas. It would be terribly ironic if President Arias—who, after President Cerezo's initiative to bring the Central American presidents together, was the great promoter of the Esquipulas peace plan and received international recognition with the Nobel Peace Prize—was the one to now bury Esquipulas.

We hope that President Arias will take his time and think—just as he says that much thought has led him to make this suggestion—of the terrible risk the Esquipulas peace plan will face if the summit is postponed. President Arias is vetoing the meeting now that everyone has agreed to attend—even the countries that had their doubts about attending the summit have agreed to attend.

Today is 6 January, only a few days away from the meeting scheduled for 15 and 16 January. We trust that after President Duarte speaks to the other Central American presidents that President Arias will agree to attend the meeting and that he will abide by the commitment made by his foreign minister, who publicly agreed on the date of the meeting and said that the Costa Rican president would be present. If President Arias agrees to attend the summit, he will be contributing, once again, to peace in Central America.

We do not know exactly what prompted President Arias' attitude and proposal; however, it is clear that the Central America issue continues to be one of the most complex issues currently on the table. Now that the possibilities for a peace plan are at hand, we begin to see these possibilities disappear. The fact that the Central American presidents wish to meet and discuss their problems, even if no agreement is reached, is in itself a step forward. If the USSR and the United States had not met as many times as they did—and many of these meetings were held with the knowledge that no agreement would be reached—it would have been impossible to reach agreements. They held dozens of meetings at the highest level, and in the end they reached an agreement. Time and time again we have seen that the more difficult

the problem, when a solution seems impossible, it becomes even more necessary for men to meet around the negotiating table and analyze ideas and proposals in order to find solutions.

Comrade Jakes represents a people who have known struggle and who have known to resist always in striving for peace and democracy; a people who are in solidarity with the peoples of the Third World; a people who are in solidarity with the just causes and the struggles for liberation, independence, and self-determination. Throughout the past years, the party, people, and Government of Czechoslovakia have given Nicaragua their unconditional support. They have not only respected us, but have also supported and encouraged our revolutionary plan for a mixed economy, political pluralism, and nonalignment. This is the system that we, the members of the FSLN, have fought to defend. Their help has been invaluable. It is the expression of a people who know how to give solidarity, people who support their words with action.

On behalf of the people of Sandino, on the occasion of your visit to our homeland, and in recognition of the courageous struggle of the people of Czechoslovakia and their party, we wish to present to you, Comrade Milos Jakes, the Augusto Cesar Sandino Order.

Long live the people of Czechoslovakia. [applause]

Defense Ministry Denies Killing Contra Leader
PA0801215389 Panama City ACAN in Spanish 1906 GMT 8 Jan 89

[Text] Managua, 8 Jan (ACAN-EFE)—The Nicaraguan Defense Ministry denied today that Sandinist soldiers sent by General Humberto Ortega killed a member of the contra general staff in Tegucigalpa, as contra leaders insinuated yesterday.

Commander "Aureliano," assistant to contra military leader Enrique Bermudez, was shot to death yesterday by unidentified persons who intercepted his vehicle on a highway outside Tegucigalpa.

Lieutenant Colonel Rosa Pasos, spokesman for the Nicaraguan Defense Ministry, told ACAN-EFE that "it is not the practice of the Army or of the minister, Gen Humberto Ortega, to kill counterrevolutionaries in other countries."

The military spokesman added that the killing of Bermudez' assistant "is simply a reflection of the internal squabbles inside the counterrevolutionary organization."

Former Somozist Colonel Enrique Bermudez, Nicaraguan Resistance [RN] military leader, last night blamed Sandinist authorities for "Aureliano's" death. He was 39.

Lt. Col. Rosa Pasos replied: "Our Army does not engage in terrorism like the contras do to fight their enemies."

Pasos said that in recent months there have been clashes among the "contras" in exile which have led to "killings."

He said that in Choluteca, Honduras, an anti-Sandinist leader known as "Douglas" was wounded recently by his own companeros in the wake of internal differences.

The killing of "Aureliano" comes months after a rebellion of several RN military leaders against the military leader of the "contras," Enrique Bermudez, whom they accuse of being "corrupt."

According to Managua sources, three dissident commanders recently asked Honduran President Jose Azcona Hoyo and General Humberto Regalado, Honduran Armed Forces commander, to intercede in the dispute.

The request, made by rebel commanders "Rigoberto," "Tono," and "Fernando," was rejected by the Honduran authorities.

As a result of these differences, the anti-Sandinist commander "Tigrillo," who planned to instigate another rebellion against Bermudez, was deported last Friday to Miami (Florida, U.S.A.).

Sandinists Reportedly Agree To Negotiate
PA0701032289 Paris AFP in Spanish 0218 GMT 7 Jan 89

[Excerpts] San Jose, 6 Jan (AFP)—The Nicaraguan Government today agreed to renew peace talks with the Nicaraguan contras shortly, a spokesman for the Coalition of the Democratic Center (CCD) announced in this capital.

Carlos Hurtado, a CCD leader, said Managua's acceptance of talks on the peace proposal was given to them by Saul Arana, the Nicaraguan ambassador to Costa Rica, with whom they reportedly met this afternoon. [passage omitted]

On Friday, Ambassador Arana called on the coalition members and informed them that Daniel Ortega's government was willing to receive them to review the new peace plan.

"The Nicaraguan Resistance [RN] Directorate will decide in Miami this weekend" if it will travel to Managua on a date that has not yet been set, Hurtado said.

"It is a good step taken by the Sandinist government for Nicaraguans to resume the negotiations," which were suspended in June 1988, Hurtado said.

Likewise, another CCD leader, who asked not to be identified, said that Managua, by agreeing to discuss the proposal, "intended to stress the differences within the RN, but these have already been ironed out. We have adopted the same position; Bermudez finally supported our plan."

Opposition March To Remember Chamorro 15 Jan
PA0601151189 Managua LA PRENSA in Spanish 4 Jan 89 p 12

[Text] The various opposition forces have agreed to participate jointly in a march to be held on 15 January to commemorate the 11th anniversary of the assassination of Pedro Joaquin Chamorro, the martyr of civil liberties.

Following a meeting yesterday, the members of the Coordinating Board [Nicaraguan Democratic Coordinating Board, CDN], the group of 14 parties, and members of the CPT [Permanent Workers' Congress] agreed to appoint a national committee to mark the 11th anniversary. It will be composed of three members from the group of 14 parties, three members from the CDN, and one member from the CPT.

The group of 14 parties selected Mauricio Diaz, Wilfredo Navarro, and Allan Zambrana to represent it. The CDN and the CPT will appoint their representatives today.

Nicaraguan political figures interviewed this morning said that the commemorative activities were postponed until Sunday, 15 January, in order to allow more time to make arrangements for the march, in which thousands of Nicaraguans are expected to participate to remember Dr Chamorro.

The national committee is scheduled to meet tomorrow to finalize plans for the march.

Violeta Barrios de Chamorro, widow of the martyred leader, has invited the public to attend a mass to be held 11 January, the anniversary of her husband's death, which is traditionally held at the Las Palmas church. She also urged the political opposition to join in the commemoration of this anniversary.

Former Contra Reveals Internal Rifts
PA3012123688 Managua BARRICADA in Spanish 26 Dec 88 pp 1, 3

[Report on interview with former Nicaraguan Resistance member Horacio Arce Ruiz, alias Mercenario, by Guillermo Cortes Dominguez—date and place not given]

[Text] Internal rifts have affected the contras from the beginning and the situation is getting worse every year, provoking bloody confrontations in which some leaders have been maimed or, in several cases, killed.

One of the longest-serving contra leaders, Horacio Arce Ruiz, alias "Mercenario" and founder of the 15 September Legion, made a statement to BARRICADA on the internal disputes between his former associates.

It is well known that the FDN leadership is in the hands of Enrique Bermudez, former colonel of the Nicaraguan National Guard. "Quiche," the second in command and chief of general staff, was also a National Guard member. The same goes for "Mack," the chief of intelligence. The command is entirely in the hands of former Somozist guards. Nevertheless, the contras also include other types of people. According to Arce this has led to the formation of three rival groups: those who were guardsmen, those who were Sandinists, and those who were neither.

Apparently some contra leaders, including "Tiro al Blanco," "Tigrillo," "Dimas Tigrillo," "Ivan," "Ruben," "Douglas," and "Coral" were linked with the Sandinist struggle, particularly in the late seventies.

"These factions are always fighting each other, mainly because they hate each other's guts," "Mercenario" said.

Regarding the third category, Mercenario said that they call themselves "Terrorists" and they support the guardsmen or their adversaries depending on the circumstances. This third group plays an opportunistic role with regard to the other two.

"This factionalism and other circumstances have resulted in deep rifts; for example, differences between those who have spent most of their time inside Nicaragua and those who have remained in Honduras."

The contras' chief of intelligence, "Mack," is among those who have remained in Honduras. The same goes for other contra leaders, including "Aureliano", and they have earned the enmity of those who have entered Nicaraguan territory.

Arce asserts: "No one takes "Mack" and "Aureliano" seriously and they put on airs. In fact, no one accepted "Aureliano" as secretary of the Commanders' Council yet he was appointed. That is where everything seems to favor the people who have remained inside Nicaragua above the others."

In other words, the commanders who have been face-to-face with the actual situation have more authority even though they do not hold the higher posts. The opposite is true concerning "Aureliano," who has a high post but is totally discredited among the troops and commanders.

There are acute differences between regional command chiefs and the FDN General Staff; for example, "Mike Lima" and "Coral" are sworn enemies. "Coral" has already lost one of his legs on account of this personal feud. "Those two cannot stand the sight of one another."

The Monkey-Eaters

"Ivan," "Ruben," "Tiro al Blanco," "Dimas Tigrillo," and "Solin"—commanders of "Tigrillo's" troops and better known as the monkey-eaters—have problems with laziness in several regional commands.

They are criticized because they always take to the mountains near Wina, near San Andres de Bocay, an uninhabited jungle region. "That is why they are called the monkey-eaters."

There is a belief among the contras that the "Juan Castro," "Alonso Irias," "Rafaela Herrera," "Andres Castro," and "Santiago Meza" regional commandos are in a complete state of disorder because their commanders refuse to adapt to circumstances.

The commanders of these groups, which have been virtually wiped out, do not normally send their subordinate groups to control wide areas in the operations zones.

Instead, these commanders keep their entire unit with them. "They keep all regional units behind just to protect them (the commanders). Since these commanders do not want to engage in clashes, they are good at establishing permanent patrol bases. But not even wild animals, much less the Sandinist patrols, will bother to attack them in places like Wina, Par Par, or Bana, where there is nothing to do," he noted.

No One Wants To Fight

"Mercenario" added that "the only strategy they follow is to ensure the commanders' safety by surrounding the area where the command post is located with their troops. The kind of war they wage consists of finding a place to stay for 2 or 3 months. The commanders' concern is to feed their men and get them to remain in the area, because there is never any fighting."

Arce disclosed that the operation office's combat report "usually has a big zero written on the page for these groups' actions, because there are never any clashes. It was determined that the 'Andres Castro' and the 'Juan Castro' regional commands were filing false reports about two or three clashes daily."

However, the contras' major dispute revolves around former National Guard Colonel Enrique Bermudez, since one group is supporting him while another is trying to get rid of him.

According to "Mercenario," whenever there is a movement to oust Bermudez, everybody supports it. However, "when Bermudez meets them face to face in the presence of some CIA officers, his opponents get cold feet."

The Resentful Ones

Arce added: "What happened to 'Rigoberto,' 'Tono,' 'Fernando,' and all the rest? Everyone in the contra general staff supported them. Most regional commanders supported them, but when the time came to act, everyone got cold feet, leaving them alone."

These differences, the continuous temporary alliances, and the daily policy shifts are leaving behind a trail of mutual suspicions, bitterness, frustrations, and mistrust among the contra leaders.

That is not all. Horacio Arce notes most regional commanders were given administrative posts in the FDN command structure. For example, "Dimas Negro" was assigned to the Humanitarian Aid Section, "Isaac" was named assistant chief of supplies, and "Renato" was sent to the Finance Section.

Other regional commanders like "Tiro al Blanco," "Ivan," "Dimas Tigrillo," and "Coral" are resentful because they were ignored. "These men are angry because they were not considered for any administrative post," "Mercenario" remarked.

The problems in Honduras and Miami have reached such lengths that, according to Arce, some contras decided to risk entering Nicaragua to get away from all the squabbling.

Then there is a gradually worsening problem in the contra's air force. Most of the contras want "Willy" as their commander, but former National Guardsman Col Bermudez wants "Juanillo" to remain in that post.

There are also difficulties between "Benny" and "Willy," because the former wants to oust the latter as commander of the helicopter squadron.

The Lieutenants Were Ignored

All this has undermined the contras' morale. "The regional commanders' meeting was one of the things that worsened the low morale, which already existed given the troops' lack of interest. Their lack of interest resulted when the troops realized they had probably taken the wrong side."

Arce stated: When the regional commanders were appointed to administrative posts, everyone thought that they would be replaced by their lieutenants, but most of the commanders appointed other contras to replace them.

"Dimas," commander of the "Pedro Joaquin Gonzalez" Regional Command, appointed as his successor someone who hardly had any experience as a leader. He chose "Negro Fernando," who was barely a unit commander.

"That is when the unit commanders got pissed off and the staff got pissed off—particularly his lieutenant, who should have gotten the post. The troops said: How come? So and so should have gotten the post, so this shit is clearly a monopoly."

Relatives of the "Alfa-Victor" Members

"Aureliano" was commander of the "Segovia" Regional Command, and he refused to turn over command to his lieutenant, whose name was "Segovia." Instead, he threw "Segovia" out and appointed "Kaliman," who was chief of personnel.

The same thing happened at the "Santiago Meza" Regional Command, where "Denis" should have turned over command to "Hombrito"—who was his lieutenant—but he gave the post to his brother, "Omaro," and "the troops said it was either a monopoly or a family affair. All the troops agreed that it just was not right."

Arce explained that all this caused bitter comments and more disappointment because the contras clearly saw that it was a matter of having the right friend. If you were a relative of the "Alfa-Victor" members, who are called the big pricks, then it was even better."

This happened shortly after the Sapoa Agreements were signed. Following the unexpected signing of the agreements, most of the contras in Honduras began to realize that former National Guard Col Enrique Bermudez tried to obstruct the agreements.

This Shit Is Over

"Mercenario" remembers: The problems worsened "because the people no longer wanted to fight." Things worsened even more when "Tono" an "Fernando," the contra negotiators, were arrested and deported along with "Rigoberto."

The new regional commanders were urgently called to Honduras and did not return. This discouraged the contra forces' mid-level officers and ranks.

Everyone thought: "We are on our own. This shit is over, and they are taking out all of the mama's boys so nothing happens to them," Horacio Arce said.

The persecution of "Tono," "Fernando," and "Rigoberto"—who are in Miami and have fallen on such hard times that one makes a living by selling apples while another is a taxi driver—fell like a bombshell among the mercenary ranks.

Arce added: "In addition to this, the contras see that the politicians are quarreling among themselves, that they have turned their backs on any proposal, that they refuse to support a cease-fire, and that each one is trying to make a pile of money."

The contras' uncertainty increased when all the troops were taken to Honduras, where they received strong pressure from the Honduran Army.

The CIA Confirmed Bermudez

Several contra leaders rebelled against Bermudez, but they were stopped by CIA officers who clearly stated their support for Bermudez during a meeting to discuss the situation.

"Poti" and "Arguello," mercenaries of the Tactical Operations Command (COT), refused to accept the CIA's orders, but they were threatened and told they would be attacked with troops and even airplanes. The COT forces' base is near Bermudez' Strategic Command base.

Arce pointed out that "this meeting was attended by new troop leaders who were pressured into supporting Bermudez. The troops also pressured their leaders, who acted as their spokesmen at the meeting. The troop leaders that the troops were pissed off."

In view of this conflict, the CIA decided to disarm the contras. This measure was implemented by the Honduran Army under the pretext of protecting the civilians in the area.

Arce maintains "that is what has completely frustrated the troops; first they pull out the mama's boys and leave us stranded in Nicaragua without supplies—with nothing. The effects of the suspension of aid are evident. People are dying of hunger; they are going barefoot. They are hungry and sick. Nobody pays any attention to the troops' condition because they are worried about their businesses. We are being disarmed; they are only leaving some security equipment on the bases. They are disarming us to let the Sandinists kill us."

Fear and Deception

Arce is babbling now, and a hint of bitterness is noticeable. He adds that many deserting contras were captured by the Honduran Army: "Those who are still there want to leave but are unable to do so. Most of them are unwilling to continue supporting this plan. There may be some 7,000 capable contras, but they are unwilling to continue because there is fear, uncertainty, disappointment, and frustration."

"Mercenario" also revealed a dramatic incident that has caused great uneasiness among the counterrevolutionary troops.

Among the many business activities of the contra leaders is the sale of aircraft fuel. This cuts back on the number of helicopter flights to evacuate the seriously wounded.

"There were seriously wounded people who needed to be evacuated, but they died by the time the helicopters arrived. Some people lost limbs because they did not receive treatment in time. Noboby cares about solving these problems, which seriously undermine morale," he added.

Bombed by the Honduran Air Force

The report on the "business deal" involving aircraft fuel rekindled memories of a 1986 incident that is not well-known but left a deep scar among the counterrevolutionaries.

In November or December 1986, a Sandinist offensive was threatening to destroy important contra forces. In view of this, the Strategic Command was forced to request special help.

The contras involved in the clash were members of the Pedro Joaquin Gonzalez, Segovia, Salazares, and Jose Dolores Estrada Regional Commands, which were in bad shape.

Several Honduran Air Force T-34 and T-33 planes came to help these contra forces. The Honduran planes started intensive bombing runs, but their aim was so bad that during the first raid their bombs exploded very near an area where many wounded contras were being treated.

A second raid could not have been worse; the bombs killed 5 members of the Pedro Joaquin Gonzalez Regional Command and wounded 15 others, scattering the survivors. It was not until the third raid that the planes managed to hit the areas where EPS troops were thought to be.

After this assessment of the contras' internal situation, Arce said he believes many mercenaries will leave the FDN and head for Honduras or return to a law-abiding life in Nicaraguan territory.

Another group will continue military actions, and many of this group's members will do so because they have no other alternative. It is too late for them because they are already involved in many abuses and crimes.

"Mercenario" also analyzed the FDN's relations with what was left of Eden Pastora's ARDE. He noted that the counterrevolutionary unity created with the formation of the "Nicaraguan Resistance" was just propaganda because the FDN and ARDE act separately, without any cooperation.

In fact, there are serious differences between the two groups. As is known, the remnants of ARDE have operated from Costa Rica to Nueva Guinea's southern sector, which borders on part of a region where the FDN contras, made up of the "Jorge Salazar" Regional Command groups, have been operating for several years.

The "Salazar" members have no sympathy for the ARDE members. They view these ARDE members as an obstacle to their plans. Arce disclosed that, according to certain reports by the Salazar chiefs, "entire ARDE patrols are captured by the EPS."

According to these reports, ARDE's failures are due to the fact that "the ARDE members do not take any security measures when they set up camp or rest. In addition, when it is time to fight, they do not know how to deploy their forces or carry out maneuvers."

More Than 5,000 Dead

In another part of his interview with BARRICADA, Arce said that during a conversation in August among contra commanders at the Supply Center—where a record is kept of the number of casualties—he heard that the contras have suffered 5,200 dead.

The figure is almost identical to that officially reported by the Nicaraguan Defense Ministry. This figure also completes the overall picture that Arce painted of the contras. The death toll has considerably affected the troops' morale.

In conclusion, "Mercenario" disclosed the existence of a special agreement between the Salvadoran Army and the FDN leaders.

The tacit agreement states that any contra who wants to join the Salvadoran Army to fight the increasingly powerful FMLN will be given every means to do so.

Arce said that, in fact, there are recruiters in Tegucigalpa, Choluteca, and Danli.

"You contact them, and they give you documents and money and take you to any Salvadoran Army garrison. This is what the agreement says," Arce noted.

In view of the contras' failure in Nicaragua, it would not be farfetched to believe that El Salvador could become an "honorable solution" that the defeated contras would demand from the United States.

Coming up in another part: A signal for Bush: Attack on Esteli and Puerto Cabezas.

Reveals Contra Plans

PA3012150088 Managua BARRICADA in Spanish 27 Dec 88 pp 1, 4

[Report on interview with former Nicaraguan Resistance leader Horacio Arce Ruiz, alias "Mercenario," by Guillermo Cortes Dominguez—date and place not given]

[Text] Before 20 January, the date of the U.S. presidential inauguration, the contras must stage a major political and military attack to prove to the new U.S. Administration that they are still alive and able to operate, and, therefore, deserve continued support.

The former intelligence chief of the Jorge Salazar Regional Command (No 5), told BARRICADA that the contras sought to implement a plan to occupy the towns of Puerto Cabezas in the northern Atlantic region, and Esteli in Las Segovias.

With this operation, the contra leadership hopes to prove to President-elect George Bush that further support for the war in Nicaragua is worthwhile, despite the continuous failure of two Reagan Administrations.

According to Arce, the two towns were selected chiefly because they are major population centers located deep inside Nicaraguan territority.

The contras thought an attack on border towns like Jalapa, Somoto, or even Ocotal, would not have as great an impact in Washington as the occupation of Puerto Cabezas and Esteli, which are in the interior.

They also took into account that Puerto Cabeza in the Northern Atlantic Autonomous Region [Region Autonoma del Atlantico Norte] (RAAN) is relatively isolated. Puerto Cabeza's sole access by land is the Waslala Highway in Siuna. This isolation would facilitate the movement of the counterrevolutionary troops. The contras considered Esteli "neither near nor far" and that they would only have to block one access road. They regard this city as a symbol because of its heroic resistance to the Somoza dictatorship, which has been praised in news reports, songs, and poems.

Arce said the contras began planning the operation some time in September. With the U.S. election approaching, the contras had to send a "signal" to Washington at the end of the year.

" ...planning the attacks on Esteli and Puerto Cabezas began in the year of the U.S. presidential elections. We needed to do something with a great impact, something that would prove we could still carry out major operations, and that would prove we have what it takes to deserve continued support," Arce said.

"Mercenario" added that "taking these aspects into consideration, we began to plan the operation for the end of the year, so that once the elections were over, we would prove to the winner (of the U.S. Presidency) what we could do, and motivate the U.S. Congress to approve more aid, or at least to release the $17 million in aid stored by some Honduran Army officers."

Horacio Arce was not officially informed of the plan when he was still the FDN's [Nicaraguan Democratic Forces] chief of purchases. Instead, he learned about it in an informal conversation with "Fernando Negro," chief of the Pedro Joaquin Gonzalez Regional Command.

Some of the things "Fernando Negro" said, and some earlier comments by "Nicarao" Regional Command chiefs "Aguilita," and "Azabache," allowed him to put two and two together.

Having solved the puzzle, Arce was able to manipulate his conversation with "Fernando Negro" and obtain further information about the plan.

Based on that talk and information he gathered later on, the contra defector learned of the distribution of contra forces to implement the plan.

Participating Troops

Forces of the "San Jacinto" Regional Command would quietly enter Puerto Cabezas and the "15 September" forces would block the Waslala-Siuna road, which is the only access road.

Other participating forces would be the "Salazar" One and Three groups, the "Santiago Meza" and elements of the "Nicarao" group.

Seven regional command troops would be used in the attack on Esteli: "Pedro Joaquin Gonzalez," "Salvador Perez," "Segovia," "Larry McDonald," "Jose Dolores Estrada" (Sagitarios), "Nicarao," and the Special Operations Command (COE) [Comando de Operaciones Especiales] troops.

The COE is a 98-man force used for commando-type missions: assassination of Sandinist leaders, kidnappings, explosions, sabotage, and attacks on special targets.

Units belonging to the groups called "Quilali," "Alonso Irias," "Juan Castro," "Andres Castro," and "Rafaela Herrera," would carry out attacks to divert EPS fighters' attention. They would operate in La Esperanza, Leymus, and Waspan.

The "Oliverio" Operation attack on Siuna, Rosita, and Bonanza, originally called for a simultaneous occupation of Esteli, but this was not done.

All the forces involved in the occupation of Puerto Cabezas would have to advance to the target through the area between Mulukuku and San Andres de Bocay.

Gathering of Troops in San Andres

The various specialized services of the EPS and the Interior Ministry are currently following the contra moves. Recent information indicates that a concentration of troops is under way in San Andres de Bocay, the same place where those who attacked the mines started out.

Several of the "Jorge Salazar" Regional Command groups are also on the move. However, it has not been ruled out that they are moving because of the consequences of Hurricane Joan.

Other places of contra infiltration that are being carefully watched are: La Lodosa, El Amparo, and El Arenal, as well as La Bruja area. Anything that indicates a move toward La Morrana and La Morranita is noted carefully.

The attack plan on Puerto Cabezas and Esteli calls for the deployment of 5,000 men. A few weeks ago, "Douglas," the FDN's logistics chief, requested complete equipment for that number of troops.

One of the main points of this plan is that reaching the objective and making the counterrevolutionary presence known is not enough; the troops must also occupy the towns and keep them under control for 72 hours.

International Propaganda

If they cannot control the towns for that long, the plan calls for photos to be taken to demonstrate convincingly that the contras were there—for propaganda purposes abroad.

At a news conference where he explained the status of the war, Defense Minister General Humberto Ortega confirmed the existence of the plan to attack Puerto Cabezas and Esteli.

Arce said the plan would be carried out very soon "because the gringos (those who are directly running the war) call for a spectacular action every time they are about to get more aid. They call for something to attract attention and this plan may serve that purpose."

Panama

Government Condemns U.S. Downing of Planes

PA0701004689 Panama City Televisora Nacional in Spanish 2356 GMT 6 Jan 89

[Report on communique issued by the Foreign Ministry; date and place not given]

[Text] The national government, through the Foreign Ministry, today condemned the United States' forceful attack on two Libyan reconnaissance planes and expressed its deep concern over the negative effects that aggression could have on hopes for peace in the Middle East.

The Foreign Ministry communique states that such disregard for the premises of international law highlights the danger inherent in a policy of considering the world as a

stage on which one can invent bogeymen and then proceed to destroy them every time a regional or domestic interest demands that one divert the people's attention.

The communique adds that it is frightening to note this manifestation of a willingness to use armed force without any justification at a time when military maneuvers which have not been coordinated [with the Panamanian Government], and which violate the Panama Canal Treaties, are being carried out by U.S. Armed Forces at the Pacific entrance to the Panama Canal. It says that these maneuvers could be interpreted as acts to provoke and intimidate the local and international people and merchant fleets.

The communique closes with the statement that Panama hopes the maturity and prudence of world leaders will help good sense and reciprocal respect prevail over abusiveness [arbitrariedad] and arrogance.

Editorial Scores U.S. Actions

PA0601121889 Panama City LA REPUBLICA in Spanish 4 Jan 89 p 4

[Editorial: "Reagan the Warrior"]

[Text] Throughout his term, President Reagan has demonstrated his warrior-like tendency, not only in Central America, but also against Libya, which he attacked violently and inflicted numerous deaths on some time ago. Now he has resolved to renew his attacks against Libya under the pretext that it has constructed a chemical weapons plant. A news agency announced yesterday that two Libyan planes had been shot down over international waters.

It was also reported that the Libyan leader was preparing to respond to the Yankee aggression because 13 U.S. 6th Fleet ships were sailing toward the Mediterranean. [sentence as published] According to Arab information sources, the ships had been ordered to attack the Tashira nuclear research center and the Al-Rabitah chemical factory southwest of Tripoli.

According to the information, the U.S. ships are planning to destroy the factories and carry out a coup d'etat to overthrow Al-Qadhdhafi. Other sources said the Arab world is watching the movements of the U.S. ships into the Mediterranean and are wondering whether Washington is trying to pressure Libya or pick a fight with it.

According to a report, President Reagan has conceived this crazy plan because he has only 2 weeks left in office and no one will ask him or his successor George Bush for an explanation.

Reagan has promoted an openly warlike policy to impose his measures on various countries, such as Nicaragua, where he has uselessly spent millions to support the contras, which have been unable to overthrow the Sandinista regime. He has also exercised brutal aggression against Panama, without being able to defeat the liberation struggle we are waging. Fortunately, he has only a few days left in office and we shall see whether George Bush will carry out the same policy in an effort by certain groups of the Union to eliminate our country.

Noriega Responds to Delvalle Letter

PA0701172089 Panama City ACAN in Spanish 1301 GMT 7 Jan 89

[Text] Panama, 7 Jan (ACAN-EFE)—General Manuel Antonio Noriega, chief of the Panama Defense Forces [FDP], has answered deposed President Eric Arturo Delvalle's letter in which the former president proposed the initiation of a dialogue to seek a solution to the economic and political crisis that has afflicted the country for the past 19 months.

This was confirmed on Friday by Manuel Solis Palma, minister in charge of the Presidency, as he left a political event held by the progovernment Labor Party (PALA).

Solis Palma, nevertheless, did not disclose the contents of the military leader's letter to the former Panamanian president.

Meanwhile, spokesmen for the FDP (Army and Police) have so far said nothing regarding the issue.

Delvalle, who is recognized by the United States as Panama's legitimate president, sent the letter to Noriega from Washington on 27 December, 6 days after meeting with the outgoing and newly elected presidents of the United States, Ronald Reagan and George Bush, respectively.

According to political sources, Noriega received the letter through the Apostolic Nunciature in Panama City.

Delvalle said in his letter to the Panamanian military chief: "We can and should promote and execute a serious and expeditious negotiation to establish the preliminary bases for national reconstruction and to pave the way for Panama's recovery."

On previous occasions, Delvalle had offered to resign from the Presidency if Gen Noriega would relinquish his post as chief of the FDP, but on this occasion he did not say exactly of what his "unselfish contribution" would consist.

Eric Arturo Delvallle was deposed by Panama's Legislative Assembly on 26 February 1988, after a failed effort to oust Noriega from the military command. Noriega was tried in U.S. courts on charges of alleged ties with international drug traders.

In his letter, Delvalle also recounted the serious economic, social, and political situation the country has experienced for more than 1 and ½ years, stressing "the state's inability to supply basic public services because of the almost steady decline in national treasury income."

Acting on a request by the deposed president, the United States has embargoed Panamanian funds in U.S. banks and has also implemented severe financial and trade sanctions in an effort to economically devastate Noriega's regime.

Opposition sources informed ACAN-EFE that Delvalle is "disillusioned" over the lack of direct U.S. action to topple Noriega and reinstate him as president, which could be the reason behind the negotiation offer made in the letter.

Commentary Criticizes Letter

PA0901031689 Panama City Domestic Service in Spanish 1100 GMT 8 Jan 89

[Station commentary]

[Text] The text of a letter sent by Mr Eric Arturo Delvalle to General Manuel Antonio Noriega is a matter of record. In that letter the former president offers to give up an office which he no longer holds in exchange for General Noriega's resigning a position he has occupied and fulfilled satisfactorily, which clearly has not been the case with Mr Delvalle.

The purported intention behind Mr Delvalle's selfless gesture presumably demonstrates his interest in contributing to national understanding, for which he has shown little regard in his frustrated and stubborn attempt to be recognized as Panamanian president.

This obstinacy has brought serious and dramatic hardship in all areas of national life, since it has led to Washington's formalization of unlawful U.S. aggression against our people. In other words, Mr Delvalle's pretensions provide the foundations for the implementation of the policy of interference and pressure that the United States maintains against Panama. Of course, the United States is totally unconcerned about Mr Eric Arturo Delvalle making a fool of himself on the international scene. Delvalle insists he is the head of state of a country of which he controls not 1 square meter; because, among other reasons, he lives under the protection of military forces whose weapons have defiled Panamanian dignity and sovereignty, in addition to being stained with the blood of our martyrs.

As enshrined in customary rules, only those governments and heads of state who exercise direct control over an entire, or a substantial part of, a given national territory can claim recognition at the international level. As far as we know, Mr Delvalle does not exercise, nor can he exercise, control over a single police magistrate in Panamanian territory. The United States is well aware of this fact; and if it persists in backing and maintaining the pitiful spectacle of the former president, it does so because as long as Mr Eric Arturo Delvalle continues to dream that he is president, Washington will have another card to play in Panama.

One need not have great insight to understand that behind Mr Delvalle's offering there begin to appear the symptoms of exhaustion, resulting from a farce in which the United States has been the sole companion. Mr Delvalle has realized that U.S. political and military might, as well as economic influence, have not been sufficient to muster sympathy, support, solidarity, or recognition for his alleged administration, while those feelings are manifested every day to the Manuel Solis Palma administration.

The mere fact that the local opposition has decided to participate in the May 1989 general elections shows that the Panamanian political scene does not need him and can do without his unrealistic pretensions.

Therefore, in truth, Mr Delvalle's offer merely expresses his desire to play a political role that he himself has downgraded, to the point were he has become a sad, historical symbol of anti-fatherland sentiment and political capitulation. In this sense, Delvalle outdoes Bunau Varilla himself, since it can always be said that the latter was not born in Panama.

In the face of today's laughing stock, known as Eric Arturo, the patriotic voice of Gen Manuel Antonio Noriega has been raised, establishing a clear contrast between the forces committed to carrying out the national liberation program, backed by successive generations of Panamanians, and those who are always ready to mortgage the interests of our people for the sake of their business ventures and personal interests.

There is something that former President Delvalle does not want to understand, or simply does not wish to see for himself; that is, that his loss of historical stature is proportional to the gigantic dimensions achieved by Gen Manuel Antonio Noriega. Therefore, Mr Delvalle's purported willingness to give up something he cannot give up, because it is not his, because it does not belong to him, because he has no control over it, is nothing more than a forgettable whim in the political folklore of our Republic, and a source of derision in the international community.

Solis Palma on Political Situation, U.S. Moves

PA0701003889 Panama City Telemetro Television in Spanish 2338 GMT 6 Jan 89

[Text] There was a Labor Party [PALA] meeting this morning at the Balboa Theater in the reverted part of the Panama Canal area. Leaders from the party attended the meeting. [Panama Defense Forces Commander] General Manuel Antonio Noriega and Manuel Solis Palma, minister in charge of the presidency, were also present. During the ceremony, the PALA leaders announced to the rank and file the creation of the COLINA [National Liberation Coalition] government alliance, which was formed yesterday. The alliance is made up of the parties that support the government and by two new parties, the People's Party and the Revolutionary Workers Party [as heard].

PALA Secretary General Ramon Sieiro talked about the current political situation and about the nationalist spirit of all the parties that support the government. Sieiro said his party is ready for the 7 May elections.

Manuel Solis Palma, minister in charge of the presidency, was questioned by the media about the current political situation.

[Begin recording] [Solis] I believe it is fine. They should participate in the elections. It is important...

[Reporter, interrupting] [Question indistinct]

[Solis] We are already solving that. We have discussed the ways the 13th month bonus will be paid.

[Reporter] Will it be paid?

[Solis] Of course it will be paid. It is a government obligation.

[Reporter] Mr President, what can you tell us about the letter from Mr Delvalle to your government?

[Solis] It was already sent to Commander Noriega and he answered it yesterday.

[Reporter] What did he say?

[Solis] Well, you can read a copy of that letter.

[Reporter] Mr President, what can you tell us about the maneuvers conducted recently by the U.S. Army in Panamanian territory?

[Solis] You know Panama's rights are constantly violated because of the imposition of strength and power. That is all we can say on the matter. [end recording]

Editorial Criticizes Tax-Collecting Measures

PA0401014389 Panama City LA ESTRELLA DE PANAMA in Spanish 3 Jan 89 p A-4

[Editorial: "Unadvisable State Measures"]

[Text] No one can hide, much less deny, the serious damage the Panamanian people have been experiencing as a result of the political and economic crisis weighing down on us since June 1987. Clearly, the middle- and low-income sectors have been hurt the most by domestic political divisions and the U.S. Government aggression. It is also undeniable that in this crisis the Panamanian state has been one of the sectors most hurt. At this moment, the state's resources are used to meet its payroll. Social needs, ironically growing, have been forcibly abandoned.

In the face of this calamitous situation, the government leaders have been compelled to perform all kinds of economic juggling to at least obtain some funds to deal with this contingency. However, it is important that Finance and Treasury Ministry officials—who handle the delicate mission of collecting funds needed to deal with this situation—behave with less indifference and with a greater sense of equanimity and consideration. The Panamanian people must not be doubly hurt: by the U.S. aggression on one side and by the tax measures on the other. The requirment of a tax clearance certificate [paz y salvo] to obtain car plates this year is an inadequate and inadvisable measure.

We understand perfectly well the state's need to collect the funds it is legally entitled to. We also understand the situation of public institutions such as the Institute of National Aqueducts and Sewers [IDAAN], the Institute of Hydraulic Resources and Electrification [IRHE], the National Institute of Telecommunications, and others that depend on their consumers' payments to operate. However, we must keep in mind the seriousness of the crisis, the great harm it has caused to Panamanian families, and the lack of economic resources in all of the country's walks of life. Under these circumstances, the national government should be most considerate with the true victims of the nation's dramatic situation: the Panamanian people. To dust off old tax measures, such as the tax clearance certificate to purchase car plates, does not constitute an advisable and fair attitude with our people.

It is equally inadvisable to force our society's low-income people to pay public services by squeezing them to the extremes of suspending these services and initiating attachment proceedings. At this time of calamity, a greater flexibility and total understanding is a must for those who are hurt by the severe crisis we are experiencing. The drastic actions against consumers who fall behind in their payments is no secret. After several months, the service is cut off. However, in institutions such as IRHE and IDAAN, the users' overall debt has now reached the alarming sum of 140 million balboas. Companies and influential persons owe large sums of money, and yet their services remain unaffected.

We respect and recognize the national government's need to collect funds it is legally entitled to. We understand perfectly well that because of the lack of the traditional economic oxygen, which is what loans from international credits represent, the Panamanian state must expand its internal tax-collecting programs to meet the government payroll and other social needs. However, greater understanding and consideration on the part of the goverment with the taxpayers become indispensible. We must find the means that will enable the goverment to achieve its tax-collecting goals while avoiding hurting the Panamanian people with these measures, as is the case. As a popular saying goes: "To get the captain, one should not sink the boat." The Panamanian people must not be the exclusive target of the U.S. Government aggression and the internal struggle for power.

PPA's Leader on Objectives Behind U.S. Visit

PA0501235489 Panama City LA ESTRELLA DE PANAMA in Spanish 5 Jan 89 p 1

[Undated "declaration" issued by Hildebrando A. Nicosia Perez, leader of a faction of the Authentic Panamenist Party, PPA, in Panama City]

[Text] PPA founding leader Dr Arnulfo Arias Madrid never conspired with anyone, and much less strangers, to enslave the Panamanian people.

The new PPA leadership, now headed by its former secretary general [Hildebrando Nicosia], maintains this same great commitment and, above all, we have an unavoidable responsibility to provide guidance for the people, who have always been a decisive force in defending our nationality.

Representing that incorruptible membership, I made a quick visit to the north [United States] with the sole patriotic objective of making "appropriate contacts" to achieve a "change in attitude" so our Republic can find a path of democratic rectifications without surrendering

or yielding. Both the government and opposition should exit this "blind alley" where stubbornness and intransigency have hurt the entire nation.

Once again, we call for a great conscientious coalition free of revenge and demagoguery that will push aside current sectarism and bring forth our common fatherland to achieve the unity of all Panamanians.

The full exercise of civil liberties is an indispensable requirement of popular elections in which votes are freely cast, and above all, honestly counted.

The new PPA National Directorate, which was elected during the 11 December 1988 national convention, is the legitimate mouthpiece of the voice of the people, which is the voice of God. Any alleged political alliance without the approval of PPA sovereign bodies is another maneuver of oligarchic clans, which do not look after the people's interests; therefore, any such alliance is completely null. We alert the Panamanian people about this. For the National Directorate of the Authentic Panamenist Party,

Hildebrando A. Nicosia Perez, president

Trade Official on Agreement With USSR

PA0801152189 Panama City Domestic Service in Spanish 1200 GMT 6 Jan 89

[Statements by Luis Barletta, executive director of the Panamanian Foreign Trade Institute; date and place not given—recorded]

[Excerpts] The Panamanian people must feel reassured that we will have no problems in our relations with the Soviet Union. The commercial relations will be as good as we make them; if we manage to take advantage of this relationship I am sure we will obtain the trade, conversions, technology, and everything we need for our economic development from the Soviet Union. We are going to take advantage of it positively, as we are doing with other interesting market areas we have already discussed, such as Europe, the United States, and Canada, which compose a new economic group; the South American areas of the Latin American Free Trade Association; the Central American areas; and the Caribbean areas, which make huge purchases because they live off tourism and produce nothing.

Therefore, you can appreciate Panama's potential. We are beginning to produce most fruits, vegetables, and seafood. There is no limit to this potential, but we have to handle it in a most professional and specialized way. [passage omitted]

The Soviet Union has one of the largest markets. Its people should consume many Panamanian products, particularly those I have mentioned. We must enter this market with a big push and with dynamism, the way we Panamananians know. Our fruits and vegetables are of prime quality and have a comparative advantage in all these markets. Our seafood is different from theirs and is of unusual quality. Therefore, we must use these advantages soundly and wisely for the benefit of the majority of our people.

It is important that—simultaneously with these new markets we are opening—to be less dependent on the U.S. market...[changes thought]. It is not that we are going to abandon it; we are simply developing new, markets to end our traditional ways. We have to develop new, nontraditional products and nontraditional markets, such as those of the USSR and CEMA, which is the economic bloc of the socialist Eastern European countries. We have already made contacts and concluded trade agreements with Poland and Czechoslovakia, and are opening up new ones with other countries in Eastern Europe.

What are the modes of payment? The traditional modes of payment and novel ones. Let us begin by referring to barter, which is as old as man himself. Under this mode, there is no foreign exchange drain for either side, and each side receives mutual benefits. [passage omitted]

Legislators on Trade Accord

PA0401005389 Panama City Circuito RPC Television in Spanish 2300 GMT 2 Jan 89

[Text] Opposition and progovernment legislators have different opinions regarding the trade agreement signed with the USSR:

[Begin progovernment Legislator Rafael Abrego recording] The agreement signed with the USSR is strictly a commercial one in which the Panamanian Government has the same rights and reciprocity with the USSR. This means more markets will be open for us at the international level, just as other countries of the world, especially industrialized countries are. This agreement has no political connotations. We must not fear the establishment of trade relations with any country of the world. Many countries such as the United States have diplomatic and trade relations with the USSR. Costa Rica, which is the cradle of Latin American democracy according to some people, also maintains relations with the USSR. Therefore, Panama must open up its trade relations with all countries of the world. We are going through an economic situation in which we need the support of and contact with all countries of the world. [end recording]

Meanwhile Legislator Jorge Ruben Rosas from the Nationalist Liberal Republican Movement pointed out the following:

[Begin recording] Our local producers, who decide whether the agreement is advisable or not for the Republic of Panama, were not consulted regarding this agreement. This agreement has some weak points because of the concessions conceded by the Panamanian Government, such as the granting of the most-favored-nation treatment despite the fact there are no precedents of any kind in matters of relations with the USSR.

The most-favored-nation treatment is granted to the countries with which the conceding country has maintained traditional relations of cooperation and friendship, and this is not the case with the USSR, because this is the first agreement of this kind signed with that country. Therefore, I believe this agreement has been held up because of the existing problems with the United States, and I believe a government should not make

decisions of this kind based on bad feelings between nations. Agreements should be based on the nation's best interests, and I do not believe this is the case regarding the agreement signed with the USSR. [end recording]

Weekly Review of Political Situation

PA0501191589 [Editorial Report] The following is a review of material from Panamanian and regional media related to the current political situation in Panama. This review covers the period from 28 December to 2 January and includes some items that have been processed in fuller form.

Relations With the United States

With the end of the year, most of the Panamanian newspapers published editorials, commentaries, and cartoons on the political situation throughout 1988 and the prospects for 1989.

Panama City LA ESTRELLA DE PANAMA on 30 December and 31 December published editorials analyzing 1988, noting that "it cannot be denied that the Panamanian people lived through the worst moments of their history in 1988" and that "political divisions have intensified, and nothing is being done by those involved to find a solution." The newspaper stressed, however, that it cannot be denied that the Panamanian people's "nationalist spirit" has been strengthened despit the U.S. "aggression."

Meanwhile, the progovernment newspapers emphasized the Panamanian people's determination to withstand U.S. economic sanctions. In its editorial on 31 December, Panama City CRITICA stated that "amid the anti-Panamanian campaign of treason and slander, the positive aspects can be summed up by the Dignity Battalions and by the people's courage in tightening their belts in the face of the hunger imposed by the Yankees." Panama City MATUTINO on 3 December, in an editorial entitled "Prospects for 1989," stressed that "this is the time for sweat and even tears," but "we will triumph." MATUTINO's "People's Compass" column that day followed the same line, asserting that "far from frightening and subjugating us, the aggression of an erratic Goliath has united us."

CRITICA on 29 December carried a cartoon showing Uncle Sam looking into a hole in the ground and saying, "Let us see what is in store for 1989," while a voice from the hole says: "No one backs down here. Things are hard, but we will move ahead." Panama City MATUTINO on 30 December carried a cartoon of President Reagan descending in a parachute over the Panama Canal while a Panamanian peasant gestures obscenely toward the President.

Panama City Domestic Service on 2 January reported that citizens have praised a display at the Panama Defense Forces (FDP) Police Station in Balboa that depicts "the infamous departing U.S. President Ronald Reagan dressed as a Santa Claus who is giving away the money illegally withheld from the Panamanian people. It also includes crybaby Delvalle, who is Reagan's president, and (U.S. Ambassador) Arthur Davis with a pistol trying to shoot down Panama's Christmas celebration."

Reaction to Ambassador Davis' 14 December speech on the Panamanian situation to the American Chamber of Commerce continued 2 weeks after the speech was given. Panama City Domestic Service on 29 December aired a 12-minute station commentary criticizing Davis' speech. Terming the speech a collection of "cynical statements," the commentary said that Panama demands respect for its sovereignty and that it will solve its problems, but not by following U.S. orders.

The only positive note on Panamanian-U.S. relations observed during this reporting period was in a Hamburg DPA report on 31 December that quoted Panamanian Deputy Foreign Minister Jose Maria Cabrera as "being optimistic that Panamanian-U.S. relations will improve when President-elect George Bush takes office." Although Panamanian newspapers and television stations use this press agency, this report has not been observed in local media to date.

Internal Political Developments

With the coming of the new year, Panamanian media reported preparations for the May presidential and legislative elections. Panama City Domestic Service on 29 December broadcast recorded statements by Yolanda Pulice de Rodriguez, president of the Electoral Tribunal, on the work to update the voters list and the electoral requirements for nomination of candidates. Regarding presidential candidacies, she stated that "nominations are open until 7 February." She added that "we have just begun the phase of registering candidates for president, vice presidents, and legislators" and that "to date, no candidates have been officially registered." Asked about the possible presidential candidacy of FDP Commander General Manuel Antonio Noriega, she responded that just like any other Panamanian citizen, he can be a candidate.

While the local media have mentioned the possibility of Gen Noriega running for president, such a candidacy has not been officially denied or confirmed. In its editorial on 1 January, Panama City LA REPUBLICA DOMINICAL commented that in the first few months of 1989 there will be an "intense electoral struggle in the official as well as the opposition camps" and that this will become more evident in the next few days, because candidates who hold positions of authority must resign by 7 February. It added that "Gen Manuel Antonio Noriega emerges as the cohesive factor in the progovernment camp, while in the opposition camp there is a tremendous fight between the Christian Democratic Party, which wants to nominate Dr Ricardo Arias Calderon as presidential candidate, and the other groups, which have virtually vetoed such a candidacy." Luis Restrepo's "Vox Populi" column in LA REPUBLICA DOMINICAL on 1 January also touched on the elections, saying the United States has prepared a strategy to influence them. Restrepo charged that "the U.S. Embassy in Panama functions as an anti-Panamanian election campaign headquarters" and that "agents expert in bribery are moving throughout the country to offer economic aid." The commentator added that "in the face of Yankee interference in the elections, the reply must be to vote for Panama and for its liberation."

Likewise, the media thus far have not been observed to shed light on the political alliances for the May elections. According to Panama City MEDIODIA on 27 December, as of November, the Labor Party (PALA) had 83,138 registered members and together with the other progovernment parties—the Liberal Party, the Republican Party, and the Revolutionary Panamenist Party—totaled "a mere 10,578 fewer members than the Democratic Revolutionary Party (PRD)." Panama City Circuito RPC Televis ion on 30 December reported that "the first of a number of important meetings from which a new nationalist alliance of political parties will emerge was held this morning when PALA and PRD leaders met to discuss the national situation and the establishment of a coalition of several parties" for the elections.

The media continue to note internal divisions in the Authentic Panamenista Party, PPA, and the Republican Party, which are split into progovernment and opposition factions. The opposition faction of the PPA led by Jorge Pacifico Adames has contested the Hildebrando Nicosia faction's holding of a "spurious national PPA convention on 11 December," according to LA ESTRELLA DE PANAMA on 30 December. LA REPUBLICA DOMINICAL on 1 January charged that John Maisto, U.S. Embassy deputy chief of mission, "has been interfering in PPA internal affairs." This charge was repeated by CRITICA on 3 January, which claimed "it has been clearly proven that Maisto leads the PPA faction formed by Jorge Pacifico Adames, Guillermo Endara, Francisco Artola, Spaniard Carlos Rodriguez, and Jose Salvador Munoz."

The 30 December convention of the Republican Party faction led by Legislator Jorge Young received extensive coverage in the media, especially the progovernment media. The convention was attended by Noriega and Manuel Solis Palma, minister in charge of the presidency, whose speech praising the FDP as the "vanguard in the defense of our nationality" received a banner headline in the 31 December CRITICA and 1 January LA REPUBLICA DOMINICAL. Prior to this convention, the Republican Party faction led by Eric Arturo Delvalle published a communique, carried by LA ESTRELLA DE PANAMA on 30 December, declaring the convention illegal.

More opposition figures have been exiled by the Panamanian regime, according to reports over the last week. Paris AFP on 31 December disclosed that Aris de Icaza, owner of the Radio Exitosa network, was arrested and "exiled to Miami" the previous night. The first indication of this action was reported by Circuito RPC Television, which stated in its 2300 GMT newscast on 30 December that De Icaza had arrived in Panama on a flight from Miami on 29 December but was not seen to go through customs. The Circuito RPC Television report added that his family was concerned because De Icaza's whereabouts were unknown. The only mention of De Icaza in the progovernment newspapers was a brief item published on 1 January in LA REPUBLICA DOMINICAL's "Reporters Notebook" column, which stated: "Aris De Icaza, who personified foreign penetration in the media and worked in complicity with the Panamanians living in Miami, had wanted to become a legislator and every day attacked the democratic solutions to stabilize the country." LA REPUBLICA DOMINICAL did not mention his exile.

A second opposition figure exiled during the reporting period was Jose del Carmen Serracin, president of the PPA's Panama Province Directorate, who had been under arrest for more than 3 months. According to PPA spokesman Guillermo Endara, Serracin was released on 1 January and exiled to Miami.

Socioeconomic Developments

The media continued to cover the regime's economic problems over the last week. According to a 29 December report in LA ESTRELLA DE PANAMA, the Legislative Assembly's Budget Commission on 28 December rejected the Executive Branch's proposed 1989 budget, which was 50-percent less than the 1988 budget. According to a report in MATUTINO on 29 December, Budget Committee Chairman Rigoberto Paredes said "the Legislative Branch did not want to be identified with a measure that entailed mass dismissals."

The regime's decision to delay full payment of government salaries and to pay public employees only 75 balboas of December's salary during that month was announced in a communique issued by Finance and Treasury Minister Orville Goodin and published in LA ESTRELLA DE PANAMA on 29 December. There was immediate reaction from Hector Aleman, secretary general of the National Federation of Associations of Public Employees, FENASEP, who protested that the government made the decision without consulting FENASEP and reiterated that any reduction in salaries would not solve the economic problems. Nevertheless, in statements published by LA ESTRELLA DE PANAMA on 1 January, Gustavo Gonzalez, planning and economic policy minister, warned that "as long as U.S. economic aggression continues, Panama will have to continue tightening its belt." He explained that the government payroll will have to be reduced through dismissals and salary cuts. He noted that Panama is searching for "new sources of economic ventures and cooperation."

In an interview broadcast by Panama City Telemetro Television on 30 December, Manuel Solis Palma, minister in charge of the Presidency, said that in reality, payment of government salaries was not being delayed. He claimed that workers actually were being paid 75 balboas in advance, because the December salaries are usually paid in January. Asked by the reporter what his message was for the Panamanian people, Solis Palma stated: "My message is one of optimism, faith, hope, and most of all, nationalist reaffirmation. Some will say that one cannot live off nationalism, but I can tell them that we can. Once we are really free and sovereign, we can decide our future, something that we are already on the path to accomplishing."

In view of reports about the possible shortening of the school term because of financial difficulties, Education Minister Rolando Murgas told Telemetro Television on 30 December that the ministry guarantees the 1988 school year will be completed despite the financial crisis. He said: "We know that there will be great economic restrictions for the first few months of 1989. It will be a very difficult time for the country and will undoubtedly have an effect on the educational system. But the government will not close any schools."

Unemployment was also discussed in the media. In an interview broadcast by Telemetro Television on 30 December, Labor Minister Cesar Martans reported there were 21,447 dismissals in the private sector in 1988. He added that "this figure represents only 41 percent of those dismissed in the labor market," because many workers lost their jobs through mutual consent agreements between the workers and management, and these figures are not provided to the Labor Ministry. In statements aired by Panama City Cadena Exitosa on 2 January, FENASEP Secretary General Hector Aleman disclosed that in the private sector "more than 200,000 people have been left without jobs, and more than 50 percent of the private sector workers are working under difficult conditions, receiving only half their salaries and not being paid their 13th-month bonus or other benefits."

According to a report published by MEDIODIA on 29 December, there was a considerable drop in the number of cruise ship passengers who visited Panama from October 1987 to April 1988 in comparison to the October 1986-April 1987 season. According to Tourism Institute figures, only 16,515 tourists arrived on cruise ships, while in the preceding period, 82,671 had visited the country.

According to a report published by LA ESTRELLA DE PANAMA on 29 December, the government decided to prohibit private sugar mills—one of which is owned by Eric Arturo Delvalle—from selling their sugar in the domestic market. Instead, they will have to sell the sugar on the international market, where prices are lower. The state-owned Victoria Sugar Mill will be supplying the local market. According to Commerce and Industry Minister Mario Rognoni, "the Panamanian people agree that the Delvalle family is responsible for the current situation. Its sugar mill therefore should suffer the difference in prices" between the domestic and international markets. According to an administrator of one of the private sugar mills, however, "the government has not gauged the significance of its decision," because thousands of workers as well as transporters, distributors, and suppliers will be affected. The newspaper reports that the decision "will mainly affect the Santa Rosa Sugar Mill owned by the Delvalle family, which has 1,500 permanent workers and 6,000 temporary workers during the sugar-cane harvest."

In an effort to diversify the country's trade, the Legislative Assembly approved a trade agreement with the USSR on 31 December. Progovernment and opposition legislators had contrary views on the agreement. In remarks published by LA ESTRELLA DE PANAMA on 1 January, PRD Legislator Hugo Giraud of the Assembly's Foreign Relations Committee described the trade agreement as "positive" because it expands the markets to which Panama has access. He also announced that a published on 1 January in LA REPUBLICA DOMINICAL's "Reporters Notebook" column, which stated: "Aris De Icaza, who personified foreign penetration in the media and worked in complicity with the Panamanians living in Miami, had wanted to become a legislator and every day attacked the democratic solutions to stabilize the country." LA REPUBLICA DOMINICAL did not mention his exile.

A second opposition figure exiled during the reporting period was Jose del Carmen Serracin, president of the PPA's Panama Province Directorate, who had been trade agreement will soon be signed with Poland. Panama City Circuito RPC Television on 2 January aired comments by PRD Legislator Rafael Abrego, who said that the Panama-USSR agreement "has no political connotations" and that in view of the economic situation, Panama needs "the support of and contact with all countries." In the same report, Legislator Jorge Ruben Rosas of the opposition Nationalist Liberal Republican Movement said the agreement is the result of the current problems with the United States. Agreements should be based on the nation's best interests, and this is not the case with the Soviet trade agreement, he noted.

Brazil

Sarney Says Inflation Could Destroy Democracy

PY0601140189 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 6 Jan 89

[Excerpt] In his weekly program "Chatting by the Radio," President Jose Sarney today said that Brazil is one of the world's richest countries and the one with the most promising future. The president warned, however, that the current inflation rate is a serious threat to democracy.

[Begin Sarney recording, in progress] ... the vitality and strength of a dynamic economy, with a high employment level, a great harvest, a high level of exports, good economic indicators, and a destructive, persistent, and perverse inflation creates pessimism, corrodes the morale of the country, unleashes uncontrollable speculation, generates instability and distrust, and what is worse, threatens all our institutional achievements.

The high inflation rate, which is higher than ever before, could lead to the destruction of democracy and freedom and could prevent the consolidation of a pluralistic, open, and free society. [end recording] [passage omitted]

Envoy to U.S., Minister Discuss Foreign Debt

PY0601133289 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 6 Jan 89

[Excerpt] Brazilian Ambassador to the United States Marcilio Marques Moreira met with Finance Minister Mailson da Nobrega in Brasilia to discuss the foreign debt issue.

They guaranteed that they were not considering reopening foreign debt negotiations, because there is a current agreement underway. The finance minister said that Brazil is benefiting from the drop in the rate spread. The ambassador said that he will try to seek support from the U.S. Government for the new plan being drawn up by the government. He expects the plan to be successful because it includes the good parts of the former government's plans and corrects the mistakes. [passage omitted]

Foreign Minister Abreu Sodre Departs for France

PY0601131089 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 6 Jan 89

[Excerpt] Foreign Minister Abreu Sodre has left for Paris where he will participate in a UNESCO meeting on the use of chemical weapons tomorrow. He said that this is an excellent opportunity to ratify the 1925 international agreement that prohibits the use of chemical or bacteriological weapons. [passage omitted]

Chile

Coalition Sends Letter to Interior Minister

PY0601014489 Santiago Radio Chilena Network in Spanish 2200 GMT 5 Jan 89

[Text] Yesterday Patricio Aylwin, spokesman for the Coalition of Political Parties for Democracy [CPPD], sent a letter to Interior Minister Carlos Caceres saying that he and his coalition reject any type of discrimination against coalition members.

In the note, Aylwin stressed that the government cannot determine who will be part of the official delegation of a coalition such as ours that has obtained a clear victory from the people.

The letter clearly explains the coalition's motives for attending the meeting. Our main purpose was to officially deliver a proposal for constitutional reforms to the Ministry, Aylwin said.

We reject, the note adds, the way in which the interior minister interpreted our request for a meeting. This request to meet does not mean we accept the role of the government in the transition to democracy, and least of all, that we recognize the democratic character of the current institutional order. In fact, it is precisely this order what we want to reform.

The note adds that the government did not really understand the meeting's significance. It was an interpretation that did not represent our purposes and opinions, the note adds.

The minister's attitude has damaged a dialogue that could have been useful to the country, Aylwin said.

The note also stated that together with the attached proposal for constitutional reforms, the CPPD wants the government to answer some basic questions.

The country has the right to know whether the government is willing to discuss constitutional reform on the specific aspects indicated by our proposal.

The country wants to know if the government is willing to advance toward a constitutional consensus, if it is willing to discuss new electoral legislation so as to allow the true expression of pupular sovereignty, and if a substantial modification to the current law on political parties is to be permitted.

Those were the reasons we requested the meeting that your declaration forced us to suspend, Aylwin said.

The letter concludes by saying that the CPPD believes in the need for a frank exchange of opinions between the opposition and the government without offensive conditions for either party and that this attitude would help the nation and its future.

Finance Minister Reports 5th Year of Growth

PY0601180389 Santiago Television Nacional de Chile in Spanish 1700 GMT 6 Jan 89

[Text] Finance Minister Hernan Buchi has said that during 1988 production and employment grew for the 5th consecutive year. The minister, who reported on the status of public finances, said that during 1988 all variables performed favorably and that there was general growth in the productive sector.

He stressed that the (?unemployment) rate dropped to a mere 7.1 percent, while salaries grew by more than 7 percent and the trade surplus surpassed $2 billion. Buchi called upon the people to avoid being impatient and to support the policies that have been proven to be successful.

More on Economic Achievements

PY0701001689 Santiago Domestic Service in Spanish 2200 GMT 6 Jan 89

[Text] Finance Minister Hernan Buchi today said that the Chilean economy grew by 6.8 percent last year.

He added that Chile will face the future with considerable greater security.

Buchi said that the people should not try to speed up development. Buchi made these comments during a news conference on the state of the national economy. He said that last year inflation was reduced to 12.7 percent, that unemployment dropped to 7.1 percent, and that the foreign debt was reduced by $1.3 billion.

Buchi said that a growth of between 4 and 5 percent is predicted for this coming year and that employment will increase. The predicted inflation rate for this year is between 10 and 15 percent. He told reporters that the recent interest rate increase is aimed at reducing inflation to a rate compatible with a growth rate of 5 percent. He emphasized that the policy of a real exchange rate will continue to be implemented during 1989.

National Vanguard Party Picks Candidate

PY0701124689 Santiago Domestic Service in Spanish 0930 GMT 7 Jan 89

[Summary] The National Vanguard Party yesterday officially nominated Pablo Rodriguez Grez as candidate for the presidency. This was reported by National Vanguard President Sergio Miranda Carrington, who added that the party's political platform will be made public on 9 January.

Army General Appointed Intelligence Director

PY0601145289 Santiago Radio Chilena Network in Spanish 1600 GMT 5 Jan 89

[Summary] The official gazette today published a supreme decree, officially reporting the appointment of Army Brigadier General Humberto Leiva Gutierrez as CNI [National Intelligence Center] director. Leiva Gutierrez, who has been acting CNI deputy director, will replace Major General Hugo Ivan Salas Wenzel, who will now perform other duties in the Army.

Police Seize Cocaine Worth 8 Million Pesos

PY0401181689 Santiago Television Nacional de Chile in Spanish 1700 GMT 4 Jan 89

[Text] The investigative police have seized 90-percent pure cocaine hydrochloride worth more than 8 million pesos. Personnel of the third police station of Conchali arrested Patricio Amador Velazquez, who was trying to sell the drug in billiard rooms in northern Santiago. The drug was sent to the Public Health Institute for analysis and destrucion, while Amador Velazquez was placed at the disposal of the 22d criminal court in Santiago.

Colombia

Government, M-19 To Meet 'in 72 Hours'

PA0801125589 Bogota Emisoras Caracol Network in Spanish 1215 GMT 6 Jan 89

[Text] Bogota—In the next 72 hours, the government and the rebel M-19 Supreme Command will make the first direct contact in Cauca Department to discuss a new peace agreement that includes the rebel group's demilitarization, disarmament, and reentry to the country's civilian life. The first contacts between government and the M-19 group were indirect last year and gathered strength at the end of December. Now, presidential adviser Rafael Pardo Ruedas will hold the first meeting with the head of the M-19 rebel movement, Carlos Pizarro Leongomez, to discuss the bases of what could be a new future peace agreement between the government and the movement [words indistinct]. In the past weeks the M-19 movement [words indistinct] that Pizarro Leongomez has addressed to different persons, including government officials and parliament members, has expressed its willingness to sign a new peace agreement. The M-19 plans include disarmament, demobilization of its different cells, and the reentry of its members to civilian life with the formation of a new political party. These decisions, however, are subject to the agreements that must be achieved in its discussions with the government. The M-19 movement has insisted that its return to civilian life requires political, social, and economic guarantees and some changes in Colombia's structure and organization. An evaluation of the peace plan proposed by President Virgilio Barco Vargas on 1 September will also be made in the meeting that is to be held in Cauca Department.

Caldas Patriotic Union Leader Assassinated

PA0801164889 Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 7 Jan 89

[Passages within quotation marks recorded]

[Text] The Patriotic Union's [UP] death toll continues increasing in the blood-spilling spell afflicting the country, which has not stopped for a single day since the beginning of the new year. This time it was Gildardo Castano Orosco's turn to die. Castano Orosco was a UP leader in the Caldas region. He was also an alderman and university professor. Ernei Ocampos reports from Pereira:

[Ocampos] "In spite of efforts by doctors and paramedics of San Jorge University Hospital in this capital, the top UP leader in this part of the country has died. Gildardo Castano Orosco, 42, an economist, was until a short time ago president of the Pereira City Council. He was also a professor of economics at Catholic University. He was formerly professor of economic doctrine and political economy at the Libre University branch.

"He was married to Luz Madrid Garcia, with whom he had an 11-year-old son. The son had just entered his home after bidding farewell to his father, as he usually did, when the shooting occurred. Castano Orosco was shot half a block away from his home, inside a camper [campero] that was being driven by his father-in- law,

German Garcia, who sustained several wounds—but his wounds are not serious, according to the doctors who gave him medical attention.

"Why did Gildardo Castano ask the Administrative Department of Security [DAS] to cancel the escort service he was being given?

[Unidentified speaker] "We are asking the DAS that. [Words indistinct] in writing that the reasons for the escort had ceased to exist, and now we see that our dear companero has been assassinated only a few days after the escort was withdrawn. This has been Ernei Ocampos, from Pereira."

There presently are discussions to determine whether Castano Orosco's escort was withdrawn on his request or whether it was the authorities who decided that the UP leader did not need this security service. We have a report from both sides.

[Begin recording] [Reporter] "Contradictory versions have been expressed today by the Fiscal Attorney's Office and the UP over the withdrawal of the escort assigned to the president of the UP in Risaralda, Gildardo Castano—who has become the eighth UP victim this year.

[Unidentified speaker] "Gildardo had an escort. However, this escort, this protection, this security, was suspended some time ago, when he was receiving many threats from paramilitary groups operating in Caldas."

According to human rights attorney Bernardo Echeverria Osas, there are documents that prove it was the murdered UP leader who asked that the escort service be suspended.

[Echeverria] "The DAS commander in Pereira, Colonel Ospina Cubillos, had been providing an escort for Castanos from the elections until the end of December, when the colonel asked Gildardo if the escort was still necessary. According to a letter in the Pereira DAS offices files, Gildardo responded that he no longer needed an escort, and that if he were to need one in the future, he would request it."

From the moment it made its first public appearance on 10 April 1985 until the present time, the UP has lost more than 700 members, murdered in various parts of the country. Contrary to predictions, 1989 has been marked by increased violence against this young political party.

Police Reports Narcotics Statistics for 1988

PA0901050889 Bogota EL SIGLO in Spanish
4 Jan 89 pp 1-A, 2-A

[Summary] The narcotics department of the Colombian National Police has issued a report with the statistics on narcotics operations conducted in 1988.

The report says the Colombian authorities arrested 4,815 local drug traffickers and 31 foreign ones.

The report adds that in 1988 the police confiscated 12 tons of pure cocaine, 2.54 tons of cocaine base, 86 tons of cocaine leaves, 839 tons of pressed marijuana, 1,812 kg of hashish, and 6.92 tons of marijuana seeds.

The report goes on to say that in 1988, the Colombian authorities destroyed 208 hectares planted with cocaine; 918 hectares planted with marijuana, and 71 hectares planted with poppy seeds.

The Colombian narcotics police also reported that the authorities confiscated 498 weapons of various calibers, 152 communication radios, and 18 fragmentation grenades.

The report concludes by saying that the authorities destroyed 655 cocaine laboratories and 70 clandestine landing strips.

Paraguay

Newspaper Links Ministers to Arms Scandal

NC0301222789 Athens ATHENS NEWS in English
3 Jan 89 p 3

[Text] A newspaper reported on Sunday that the Greek Armaments Industry (EVO) had been involved in a scandal concerning a contract to sell arms and ammunition to Paraguay. The contract was signed in June 1983 and, according to the report, the company lost 800 million drachmas from the deal.

Vincentios Arsenis was president of EVO at the time. The newspaper says that according to the evidence others responsible in the loss of company money are then National Economy Minister Yerassimos Arsenis, Finance Minister Dimitris Tsovolas, National Defence Undersecretaries Theodhoros Stathis and Panayiotis Zakolikos, and the administration of the Commercial Bank.

The newspaper says that the affair was discovered by Stamatis Kambanis, the former manager of EVO, who is now in prison pending trial on charges of mismanagement it was decided at the time, though, the report says, to cover up the scandal so as to protect the credibility of the state-owned company.

Executive Branch Approves Armed Forces Promotions

PY0201143789 Asuncion HOY in Spanish
2 Jan 89 pp 50, 51

[Excerpt] On 31 December the executive branch signed the decrees that grant promotions to members of the Armed Forces. The list is headed by Air Force Brigadier General Raul Eleuterio Calvet, who has been promoted to division general.

Quartermaster Colonel Panfilo Mora Escobar (who is currently director of the Quartermaster Corps) has been promoted to general. And, several lieutenant colonels have been promoted to colonel, including Gustavo Adolfo Stroessner Mora, the son of President Alfredo Stroessner. [passage omitted]

1988 Exports Reach Unprecedented Level
PY0201143589 Asuncion HOY in Spanish 2 Jan 89 p 15

[Summary] Exports totaled $511,919,201 in 1988, an unprecedented figure in our country's economic history.

Peru

Action on Soviet Fishing Deal Said 'Inapplicable'
PY0601125589 Lima Television Peruana in Spanish 0100 GMT 6 Jan 89

[Text] Justice Minister Cesar Delgado Barreto referring to the fishing contract with the USSR has said that the legal action initiated against it is inapplicable.

[Begin Delgado Barreto recording] Concerning the fishing contracts, we should regard this issue from the viewpoint of legal proceedings and from the viewpoint of the situation itself. In my capacity as a lawyer and as justice minister, I believe that the writ of amparo is legally inappropriate, because it deals with the terms of a contract signed by the Peruvian and the Soviet Governments. If one wants to cancel this contract, the right thing to do is to file a class action suit, which is totally different from a writ of amparo. Therefore, the writ of amparo should be declared inapplicable, as a Lima judge has already done.

Despite the fact that the Paita judge declared the writ of amparo applicable, another judge ruled it inapplicable. Consequently, the Executive Branch is abiding by a decision by the Judicial Branch, which administers justice in Peru.

As for the situation itself, the main claim is that the Soviets have been exempted from taxes, that this benefit can be granted only by Congress, and that any decree granting tax exemptions is illegal.

First, there has been no tax exemption, because the 17.5 percent of the catch that the Soviets give us in compensation for fishing in our territorial waters includes taxes, which are paid in kind. If anyone claims that there have been tax exemptions, we have acted in keeping with Paragraph 20, Article 211 of the Constitution, which states that in an emergency, the Executive Branch can take action that will later be reported to congress. [end recording]

Economy Minister Announces Readjustments
PY0701154189 Lima Television Peruana in Spanish 0100 GMT 7 Jan 89

[Speech by Economy and Finance Minister Carlos Rivas Davila; date and place not given—live or recorded]

[Text] Good evening. This measure is not only a price adjustment but also a salary adjustment, because, after all, salary is the price of work.

As I said on 29 December, the government is currently implementing a responsible and strict economic program to progressively curb inflation, to maintain the level of exports, and to gradually reduce government food subsidies.

Today we are introducing new economic corrections as part of the current economic program. We must modify the dollar exchange rate. That is, we must increase the dollar price to prevent an overvaluation of our currency.

As of this moment the official dollar exchange rate will be increased from 500 to 700 intis. However, as established by the Central Bank, exporters may exchange 30 percent of their dollars on the unofficial market. This means that they will receive an average of more than 1,000 intis per dollar. We are also reducing the export tax from 10 percent to 6 percent.

The second matter is the increase in fuel prices. As you know, fuel prices depend on the price of the dollar. The new price of gasoline will now be 970 intis. The price of kerosene will also increase.

Third, because of the increase in the dollar exchange rate and in fuel prices, the prices for food supplied by the government will also increase, reflecting the new production costs. However, the price of money—that is, the bank interest rates—will not increase because such an increase is not necessary.

I am addressing each one of you in order to make clear a very important fact. The economic corrections we are announcing today are the third since the September 1988 economic program was launched. I want you all to see clearly that the corrections are smaller because the economic program is yielding good results.

I would like to point out the following figures: In September 1988 we devalued our currency by 657 percent; on 22 November we devalued it by 100 percent; and in January 1989, we are devaluating it by only 40 percent.

In September 1988 the prices of fuel increased by 228 percent; in November they increased by 152 percent; and in January 1989 they are increasing only 60 percent. The corrections are smaller now.

The interest rate, that is, the price of money, increased by 112 percent in September 1988 and by 210 percent in November, but we do not consider it necessary to increase it this month.

As for controlled prices—those of rice, milk, edible oil, and sugar—the same thing is true. In September last year, the controlled prices incresed by 152 percent; in November, by 106 percent; and in January they are increasing by 60 percent. You can thus see that the corrective changes are increasingly smaller at each step. You can see a trend leading to a solution to the serious problems we had in the second half of 1988. Some people say that these packages of measures have been useless and that the situation keeps getting worse. This is not true. If the situation were getting worse, the adjustments would have to be increasingly greater. The truth is that those corrections have yielded good results. For instance, on 30 September 1988, the Central Reserve Bank's liquid assets stood at $385 million; and on 6 January 1989, they stand at $535 million. This to say that the liquid assets have increased by $150 million—despite the miner's strike.

With these higher reserves, in a few months the country will gradually resume its growth. Much is said about the state deficit, which, as you know, is the result of the expenditures made by the state without corresponding revenues. The opposition announced that the 1988 deficit would be 12 percent, but in the wake of the adjustments made in September and November, the deficit of the entire public sector turned out to be only 6.4 percent—well below the percentage announced by the critics. A large portion of this deficit is represented by subsidies to food, because, as you know, the state buys rice at a higher price and than it sells it. This makes up part of the fiscal deficit. Subsidies, therefore, must be reduced, but gradually. This is another concrete example of how the September and November corrections have yielded good results.

In November, the state was spending $125 million on subsidies to food at controlled prices. By January, those subsidies had been reduced to $33 million, that is, by nearly 75 percent. The subsidy policy means a high cost for the state. When revenues are lower than expenditures, as they are now, maintaining a high level of subsidies means greater monetary expansion and greater fiscal deficit, which, in turn, are inflationary factors. This is why we opted for a gradual reduction of subsidies. We will thereby eliminate, we are sure, one of the most important causes of the current inflation in Peru. Objectively speaking, we can say that with the cooperative effort of the Peruvian people the economic program of this government is yielding results.

It is very important that people realize that the adjustments are smaller each time, that dollar reserves are increasing slowly, and that the volume of subsidies is declining. We have just objectively proven it to you with these tables.

The economic emergency will be overcome when speculation on the black market dollar ceases and when industrialists and businessmen set fair prices on their products. Prices should be set according to realistic costs and not according to pessimistic expectations spread for political purposes by some media.

I can tell you that just as these corrective measures are smaller than the former ones, any future corrective measures will have to be much smaller still.

The purchasing power of salaries must not drop any further; on the contrary, salaries must recover their purchasing power through the corrective measures. Salaries increased by 60 percent in September 1988 and by 50 percent in November, when the prices of goods increased only half of what they did in September. This month salaries will increase by nearly 50 percent.

We established this salary increase to preserve the purchasing power of the workers and to prevent a deterioration of their standard of living. We have increased the minimum legal salary from 21,070 to 28,000 intis. To this, we must and add the 3,000-inti mobility bonus [bono por mobilidad] decreed in November 1988. In addition, since 1 January we established an additional 3,000-inti bonus to compensate for the cost-of-living increase. All this adds up a total 34,000 intis.

Employees not covered by a collective labor contract will receive a 30-percent wage increase over their December 1988 salary, plus 3,000 intis in compensation for the cost-of- living increase.

Public employees will receive an overall 15-percent wage increase plus an additional 27-percent increase in keeping with the law. This law establishes a wage increase according to the government's financial capability, in three stages: 27, 25, and 25 percent. This will help reduce the unfair salary differences affecting public employees. A public employee who in December earned 40,000 intis will earn 60,000 intis in January.

This government will also continue providing jobs [words indistinct] productive sectors, and at the same time it will continue supporting the soup kitchens and the social programs it has started.

As I have done before, I have talked to the country now with the conviction that, despite the difficulties and all the pessimistic predictions, we will defeat inflation by making gradually smaller readjustments as we slowly come out of the crisis. If we can count on the patriotic cooperation of businessmen, workers, and people in general, we should be able to overcome this national economic emergency more rapidly. Thank you very much.

Uruguay

Foreign Minister on Falklands Ferry Service

PY0701210389 Madrid EFE in Spanish 2030 GMT 7 Jan 89

[Text] Montevideo, 7 Jan (EFE)—Uruguayan Foreign Minister Luis Barrios Tassano today said: "Uruguay has not received any official request" to establish a ferry service between the Malvinas Islands and Montevideo. However, Barrios Tassano did admit that "there have been many negotiations in different sectors."

According to reports originated in London, which are datelined in Puerto Stanley (Malvinas Islands), a private company will operate a ferry line between the Malvinas Islands, Montevideo, and Punta Arenas (Chile) beginning next week.

This ferry line will be the first that will operate between the Malvinas Islands and Latin America since the 1982 war between Argentina and Great Britain.

The Uruguayan foreign minister admitted that "there have been many negotiations in different sectors, but Uruguay has not adopted any position regarding the establishment of a regular ferry line of this type."

A few months ago, Eric Vines, the British ambassador to Uruguay, announced that private British company intended to obtain proper authorization to operate a ferry service. But he said the British Government is not involved in the project which he described as a "private commercial undertaking."

At the time, the Uruguayan Government said it had no knowledge of the issue, while Barrios Tassano reasserted Uruguay's support for Argentina's sovereignty claim over the Malvinas. It was the sovereignty issue which originated the war between Argentina and Great Britain in 1982.

Venezuela

Perez Promises Support for Nicaraguan Newspaper

PA0701153389 Caracas Venezolana de Television Canal 8 in Spanish 1600 GMT 6 Jan 89

[Report on interview with President-elect Carlos Andres Perez and with Violeta Chamorro, director of the Nicaraguan newspaper LA PRENSA, by unidentified reporters; date and place not given; passages within quotation marks are recorded]

[Text] President-Elect Carlos Andres Perez has promised Violeta Chamorro, director of the Nicaraguan newspaper LA PRENSA, that he will help her solve the problems currently being experienced by this newspaper, which has greatly contributed to Latin America's democratization.

During his meeting with Chamorro, Perez reiterated Venezuela's support for Esquipulas II to achieve peace in Nicaragua. He spoke of his close friendship with the Chamorro family and expressed his desire to see the consolidation of a free press in Nicaragua. Perez explained that the newspaper LA PRENSA was experiencing a shortage of paper:

[Perez] "We have discussed the possibility of forming a foundation here in Venezuela to effectively support LA PRENSA because of the difficult problems it faces, including the high cost of paper. We hope the various segments of Venezuelan society will participate in this foundation."

[Chamorro] "Any meeting with President Carlos Andres Perez—who has been my friend for many years—is a joy and a marvelous boost for the Nicaraguan people and for LA PRENSA."

[Reporter] "[Words indistinct] official support?"

[Chamorro] "Yes, of course. We have received very strong support. I will be leaving very happy tomorrow."

[Reporter] "On what terms?"

[Chamorro] "We will receive help as soon as possible, so the newspaper can continue to be published. This is Perez' and my husband's [deceased Nicaraguan journalist Pedro Joaquin Chamorro] ideal—the newspaper must never stop being published."

Perez Preparing 'Shock' Economic Program

PA0601152889 Paris AFP in Spanish 2023 GMT 4 Jan 89

[Text] Caracas, 4 Jan (AFP)—Venezuelan businessmen and union leaders, consulted by President-elect Carlos Andres Perez, who will assume office on 2 February, have reported that an economic package Perez intends to introduce during the first 100 days of his government is very similar to IMF formulas.

Perez' advisers said in private that the program will have a "shock" effect on the country's economy, which will experience difficulties in 1989. It can recover after 1990, however, through greater productivity and competitiveness, and provide a higher standard of living.

The day before he flew to Mexico, Perez outlined his "shock" program for the leaders of the government party, Democratic Action (AD), Fedecamaras [Venezuelan Federation of Associations and Chambers of Commerce and Industry], and the Confederation of Venezuelan Workers (CTV). The businessmen left the meeting evidently satisfied, while the union leaders seemed concerned.

These will be the main features of the "Perez package":

—A single exchange rate. There is at present an official exchange rate of 14.50 bolivares to the dollar and a free exchange rate that goes up to 40 bolivares to the dollar. The uniform rate would be achieved through a devaluation of the official rate. This measure would alleviate the country's financial situation to some extent. In particular, it would help the government—all of whose accounts are in the red—although it would raise the price of imported consumer goods and domestic goods produced with imported raw materials.

—Higher interest rates. On the average, floating rates are just below 13 percent, while fixed rates are at 9 percent. The higher cost of money will raise prices.

—Higher gasoline prices (perhaps to twice the current price) and higher rates for energy, telephone, and other public services.

—Higher feed prices and, in general, new price structures based on the formal restoration of the liberal "economic guarantees" suspended 25 years ago so the government could implement regulatory policies. This is an old demand from businessmen.

—Only the salaries of government employees would be raised immediately. These employees represent less than 18 percent of the country's labor force, estimated at 6,000,000 people.

CTV's request for a general 30-percent salary increase to compensate for the 1988 inflation rate would be postponed and perhaps even denied because of the new cost of living, which the experts predict will be higher than the national record of 40 percent in 1987.

Obviously satisfied, Fedecamaras President Hugo Fonseca said after meeting with Perez: "The important thing is that these are not isolated measures but part of a general, consistent economic program." Fonseca added: "We have demanded a consistent program for a long time, as well as a political willingness to stick by that decision. To the extent that the government does just this, it will enjoy the businessmen's support and praise."

Juan Jose Delpino, Social Democratic Party member and CTV president, however, could not conceal his concern. "These measures will cause an imbalance that will no doubt result in hurting salaried workers more than any other segment of the population."

CTV Secretary Cesar Olarte, member of the leftist MEP [People's Electoral Movement], said: "According to predictions, the inflation rate could become very high, but according to Perez, it will be offset by a salary raise. Only public employees, however, will get this raise for the time being."

Furthermore, the proposed adjustments would help secure IMF support to strengthen Perez' renegotiation of the $32-billion foreign debt, for which Perez is trying to coordinate efforts with the Mexican and Brazilian presidents this week. Perez will begin this renegotiation just as the country exhausted its operating cash reserves, forcing President Jaime Lusinchi to halt the payment of the country's foreign debt to international banks.

'High' Inflation Index Reported for December

PA0801134989 Caracas Venezolana de Television Canal 8 in Spanish 0000 GMT 7 Jan 89

[Summary] Development Minister Hector Meneses has stated that the high inflation index registered in December 1988 was basically caused by an exaggerated increase in demand. This resulted in a lack of supplies and, consequently, an increase in prices.

The report issued by the Central Bank of Venezuela reveals a 6.8-percent inflation index during December. The development minister was approached by reporters before his meeting with the finance minister. He admitted that the monthly index of prices increased beyond the estimates, adding that this was not caused by an increase in costs, only in the demand.

Suriname

Bouterse Aide Attends UNGA Session on Palestine

PM0901091089 Rotterdam NRC HANDELSBLAD in Dutch 20 Dec 88 p 3

[Unnamed "own correspondent" dispatch: "Herrenberg Represents Bouterse at UN Palestine Debate"]

[Text] Paramaribo, 20 Dec—Last week Surinamese Army leader Bouterse sent his chef de cabinet, H. Herrenberg, to represent him at the UNGA session on the Palestinian question in Geneva. Bouterse did so as "leader of the revolution," a title which he has not used since the November 1987 elections.

On his return to Paramaribo Herrenberg said that he was in Geneva as a special envoy because the Army cannot rely on information from the Foreign Ministry's missions abroad. Bouterse thought it necessary to obtain first-hand information because important fundamental questions were being discussed and because the government only provides information "about potatoes, eggs, and other shortages."

Asked whether Bouterse as "leader of the revolution" is able to send an envoy to a UN meeting, Herrenberg said that for 7 years Bouterse shouldered political responsibility and pursued a consistent policy on the Palestinian question. Herrenberg said that on the 1st day of the session he occupied the seat of the Surinamese delegation because the delegation had still not arrived and he did not want to leave the seat unoccupied "for national reasons." The following day Suriname's ambassador in Brussels D. MacLeod and Embassy Counselor A. Azimula, who were the official Surinamese representatives, were present.

There has been no reaction from the Surinamese Government to this special mission by Herrenberg. The government is considering recognition of the Palestinian state.

Minister Backs Investigation of Rensch's Actions

PM0901090189 Rotterdam NRC HANDELSBLAD in Dutch 24 Dec 88 p 3

[ANP report: "Minister: Investigation of Rensch Justified"]

[Text] The Hague, 24 Dec—Stanley Rensch, the Surinamese human rights activist, was arrested recently for activities "apparently injurious" to the Surinamese state. Yesterday Surinamese Justice Minister J. Adjohio said that he considers the investigation against Rensch, who has been at liberty since Wednesday [21 December], to be justified.

The minister said that he bases his judgment on the statements incriminating Rensch made against the human rights activist by four alleged members of Ronnie Brunswijk's Jungle Commando. Although Rensch has been released "temporarily," the investigation against him is continuing, Adjohio said.

Stanley Rensch has been active in the attempts that have been made in Suriname to bring about peace negotiations between the Jungle Commando in eastern Suriname and the authorities in Paramaribo. An earlier offer by Rensch to act as mediator was turned down. According to Minister Adjohio, there were "already suspicions" that Rensch maintained contacts with the resistance movement in eastern Suriname.

For this reason, the justice minister said, it is hardly strange that Rensch has since been forbidden to enter the interior. Adjohio also stressed that the Surinamese activist was arrested only in the context of the "very complex" Brunswijk affair, and not because of his work for human rights. The legal authorities in Suriname are "not so mad as to arrest someone without good reason," Adjohio said.

Minister Adjohio said that he is "disturbed" that emphasis is still being placed on the power which the military still possesses. He pointed to the "transitional phase" in which Suriname finds itself since a democratically elected civilian government came to power. This transition is, he said, taking place "satisfactorily."

Human Rights Activist Rensch Interviewed

PM0901094689 Amsterdam DE VOLKSKRANT in Dutch 23 Dec 88 p 7

[Report on interview with Surinamese human rights activist Stanley Rensch by Wim Noordegraaf: "Drama in Suriname Has Yet To Begin"]

[Text] Paramaribo—"If the military police are tapping the telephone they will be driven mad," said a relative of Stanley Rensch, who has been bombarded with telephone calls from Surinamese and above all foreign journalists ever since his release. His apartment, which has been turned into the "Moi Wana'86 Human Rights Bureau," is filled with friends and relatives who have come to congratulate him.

An article in the Surinamese newspaper, DE WEST, is read aloud in a mocking tone. In it the public prosecutor says that the investigation "has been made much more difficult because of national and international intimidation, threats, distortions, and inaccurate reporting." There is laughter. "A lot of noise to hide the failure," it is said.

The newspaper contains one piece of news for Rensch. He has been released "temporarily," according to Military Police Commander Lieuw Yen Tai. "The document that was pressed into my hand only said that I was free. It said nothing about 'temporarily,'" Rensch said. He will also ignore the ban on traveling into the interior, as long as he receives no document to this effect. "I will continue to maintain the necessary contacts with Brunswijk, in the interests of peace. Just as I will not eschew contacts with the military."

"No, I was treated very well," Rensch repeated. "My contacts with the officers at the police station were excellent." On his three previous arrests, which were all brief, he always ended up at the military police headquarters, Fort Zeelandia. He was mostly arrested for "agitation." This time he also sees his arrest as intimidation, although this time he was also accused of having "lent support to a group intent on overthrowing the lawful authorities."

Rensch: "It is a pity that there are people and organizations that want to hamper the initiatives of peace-loving people." While Paramaribo is making thorough preparations for Christmas, Stanley Rensch is thinking over his position as a "prominent human rights activist."

[Noordegraaf] Why are the Front leaders so obstructive of your human rights bureau?

[Rensch] They consider the call for human rights observance a burden and an irritation. Not that we could expect anything else. There were clear cases in which they could have acted, but they did not. And now they find it irksome that there are people who will not keep their mouths shut. It is a pity that this attitude exists. For a politician one of the fundamentals must be concern for the most vulnerable within his area of jurisdiction. The attitude of the Front also stands in the way of an open dialogue with the inhabitants of the interior. That is tragic. I can see no encouragement to peace-loving people in the politicians' attitude.

[Noordegraaf] Vice President Arron always says that a "Surinamese solution" must be found to the conflict in eastern Suriname. Do you know what Arron means by this?

[Rensch] I am afraid that there is a desire for a cheap settlement with the interior, that a formula for a fair solution is not being prepared. It is difficult for me to judge because I do not know the plans. I hope there will be a compromise, give and take. But I am afraid that there is no such willingness. If there were, the peace process need not take very long. There is a willingness to talk on the part of the maroons. There always has been, not only because the interior is dependent on the policies of the city, but also because there is an interdependence between what needs to be done there and what can be achieved in Paramaribo. People are always saying: The coastal plain can be developed, the interior cannot. Isn't that odd? The natural resources, which Paramaribo has to thank for its prosperity, are to be found precisely in the interior: the bauxite, the dam and reservoir which supply energy. In the interior the people sit with oil lamps under the electricity cables. That was the time bomb ticking away under relations with the maroon population.

[Noordegraaf] Just after Brunswijk began his actions you took the view that Suriname was at the beginning of an "Eighty Years' War." What is you prediction now?

[Rensch] I hope that it will not take that long, not even a quarter of that time. The process is making the maroons more mature. You learn to think in other terms, other values, other rules. The conflict will only be resolved when people in the interior get the feeling that they are valued and respected. Then it will also be possible to solve at a stroke the problem of the "robber gangs" operating independently of Brunswijk. The term "gangs" also has a political dimension. The Jungle Commando too is always referred to in Paramaribo as a "terrorist gang."

[Noordegraaf] Can you compare the human rights situation in Suriname with those in Argentina and Uruguay?

[Rensch] Really, the wound in Suriname still has to burst. The government forms part of a scenario created by the military authorities in order to remain in power. The military has not been rolled back. Nor was that the politicians' intention. The drama here is only just beginning. Civilians have to be in a position to send the military back to the barracks, to make the military aware—if it does remain—that it is there to keep watch on the borders, to guarantee territorial integrity. And that it is not the task of the military to arrest and brand as terrorists people who want a different government or a different political system. The compromise—insofar as you can call it that—between the military and the Front leaders certainly does not serve democracy. Nor the sound development of the country and respect for human rights.

[Noordegraaf] Will Army leader Bouterse have to be brought to trial?

[Rensch] I think so. That will have to come sooner or later. If it does not happen, then some solution will have to be found. In formal terms so much has happened for which that man must be made answerable and responsible. It is unavoidable.